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THE

SOCIAL PROBLEM

BY THE SAME AUTHOR.

THE CREED OF SCIENCE.

RELIGIOUS, MORAL, AND SOCIAL.

SECOND EDITION, REVISED.

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THE

SOCIAL PROBLEM

351

IN ITS ECONOMICAL, MORAL, AND POLITICAL ASPECTS

BY

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CONTENTS.

BOOK I.

INTRODUCTORY.

THE SOCIAL PROBLEM AND ITS HISTORY.

CHAPTER I.

GENERAL.

SECTION		PAGES
1.	The old quarrel of rich and poor threatens to break out anew, notwithstanding the ameliorated condition of the labouring classes—Reasons—Contrast between the present condition of classes	3-6
2.	Feelings of the labouring classes: of the lack-alls and the unemployed—The grievance against society, how far true—Essence of the social problem, and cause of socialistic aspirations	6-9
3.	Main branches of the social question: the capital and labour question, and the land question—Ubiquity of the question in civilised countries—Specific issues in each branch—Political economy and the social question	9-15

CHAPTER II.

ORIGIN AND PURPORT OF THE PROBLEM.

1.	Causes: not chiefly poverty—Real cause—The awakened consciousness of the many to their comparatively depressed condition—The social problem raised in modern times by philosophers to bring in a wider justice—Raised in Judæa by prophets—The English line of prophets from Hobbes to Carlyle . . .	16-22
2.	Education and the spread of knowledge amongst the people a concurrent cause—Denied to the people till	

SECTION PAGES

after the first Reform Bill—Afterwards granted and made compulsory—Reasons for the change of policy—Growing expansion of the Education vote—Importance and significance of the fact . . . 22-25

3. Present aims and aspirations of the working classes—Their class 'selfishness' natural, as well as necessary, to raise their condition 26-31

4. Their aims—Are they realisable?—Are they just?—Two senses of a 'just' wage and a 'just' share . 31-33

CHAPTER III

HISTORICAL.

1. The social problem raised in modern times by Rousseau—Issues raised by the first French Revolution—New issues raised by the Revolution of 1848, and by the insurrection of the Commune of 1871 . . . 34-38

2. The capital and labour question not raised in England till after the Industrial Revolution—Extreme gravity of the new industrial situation—Louis Blanc and the 'Organisation of Labour'—Carlyle's early divination of the meaning and importance of the social problem—His address to landlords and capitalists—His remedies—Effect of his words—His prophecies . . 38-45

3. Chartism—The idea of the Chartist leaders—That political power was necessary to raise the condition of the working classes—The Six-Point Charter—Its far-reaching scope, its policy, its justice—Universal suffrage an unlikely road to social salvation—Carlyle's objections—The only answer 45-51

4. The year of crisis and universal explosion (1848)—Society 'saved' and consequent reaction till the political cycle had run itself through . . . 51-52

5. J. S. Mill and his 'Principles of Political Economy'—Opportune appearance (1848)—His qualifications of Ricardo's doctrines—Mill's solution of the question—Co-operative Production, and Malthusianism . . 52-56

6. Influence of Mill's work on the subsequent history of the social question—His chief disciples—His prophecy and his hopes as regards co-operation not fulfilled—Reasons—Ideas of his work that have borne fruit—The land nationalisation schemes of Mr. George and Mr. A. R. Wallace—The nationalisation of land, capital, and all things, as proposed by the Democratic Federation League—Order of the subject. . . 56-64

BOOK II.

THE EXISTING DISTRIBUTION OF WEALTH AND WORK.

CHAPTER I.

ON THE GENERAL WAGES OF LABOUR.

SECTION		PAGES
1.	What determines the wages of labour, when labourers are in competition with each other—Ricardo's law of 'minimum wages'	67–75
2.	In what cases wages must rise even in the absence of trades' unions	75–78
3.	Natural origin of labourers' combinations—The perception that competition of labourers *inter se* is disastrous, by causing underbidding when supply of labour is greater than the demand	79–80
4.	Order of facts and phenomena in an expanding industry, where competition exists both amongst the labourers and employers—Final result in normal times of competition: minimum wages and minimum prices, but a greater number of hands at minimum wages, and a greater number of employers at ordinary profits	80–88
5.	Order of facts and phenomena under a trades' union *régime*, where competition amongst labourers is minimised—Final result in normal times under trades' unions: fewer hands at higher wages, fewer employers at ordinary profits, with higher prices to consumers—Comparison of the union and non-union systems as respects wages and prices in a period of depression	88–94
6.	When unionism can tell most effectually—Various effects of sharing exceptionally high profits with the workers: quasi-partnerships of masters and workers, exclusion of new capitalists, but not of new capital, lessened competition, higher prices, and a smaller circle of customers—'Profit-sharing' as a system, and in its results, compared with the present order of things	94–97

CHAPTER II.

TRADES' UNIONS AND THEIR INFLUENCE ON WAGES.

1.	Possible effects of an attempt by trades' unions to raise low wages—Special case of cotton-weaving considered	

SECTION PAGES

—Difficulty of computing the effect, owing to the complication and interaction of industrial phenomena, especially in the case of manufactured goods mainly made for foreign markets 98-104

2. Possible effects of an attempt to raise low wages, profits being also low, where employers cannot save themselves by a rise of price—A general combination might compel higher wages for a time—A Pyrrhic victory for the workers when profits are at the practical minimum—The policy disastrous, especially where manufactures are in a backward state 104-107

3. Cases where trades' unions can raise wages without a fall of profits—Special case of the building trades considered—Result as regards the general public, and especially the poorer classes 107-110

4. Case of the home-production of luxuries for the richer classes 110-114

5. Case of monopolies, *e.g.*, the railway service, where the public would be inconvenienced by a cessation of work 114-117

6. Possible effects of a universal and simultaneous attempt to raise wages—Examination and qualification of Mr. Thornton's view that prices could not rise, and that profits must fall 117-123

7. Thin margin for trades-unions' action, profits being in general near the practical minimum—Lowest point to which it is possible to push the capitalist, lest he also should 'strike' 124-127

8. Summary and final conclusion as to the efficacy of trades' unions in raising wages 128-130

CHAPTER III.

THE WAGES OF WOMEN.

1. Qualification of Ricardo's 'law of minimum wages'—Cases where demand outruns supply—Skill or knowledge not paid highly, where demand is less than supply: *e.g.*, case of literary labour 131-134

2. Women's wages—Why they generally fall below Ricardo's minimum—Who chiefly are the gainers from cheap female labour?—Evil moral results that flow from low wages in conjunction with the Malthusian teaching—Causes of the 'social evil'—Terrible coil and complication of this part of the social problem . . 134-142

CHAPTER IV.

SHARE OF THE MIDDLE CLASSES.

SECTION		PAGES
1.	The share of landlords and capitalists—The tendency as regards rents and profits	143–145
2.	The distributing class and its share—Rise of the great distributor and the co-operative store—Present tendency as regards the number and remuneration of the distributing class	145–149
3.	The interest-receiving class and its share—The Socialist attack on interest—Impossibility of abolishing interest short of Communism—The bondholder and the *rentier* a necessary and legitimate consequence of private property—Class of landholders whose case is assimilated to that of the bondholder	149–156
4.	Share of the dealers in money: bankers, bill-brokers, stockbrokers and 'financiers'—Their function in the sphere of industry fundamentally useful, but in some cases tends to the questionable—Chief source of the huge fortunes of the great financiers; mainly winnings in a great gambling game requiring skill as well as luck—Need of regulation in the business of the dealers in money and shares—Special difficulty of regulation	156–160
5.	Share of the professional classes—The equivalent return mostly made in services, not material products—How far these classes are producers of wealth—Comparative value or utility of the services rendered	160–166

CHAPTER V.

SPIRITUAL PRODUCERS AND THEIR WAGES.

1.	Wages of the literary class; in journalism; in 'book-making'; in novel-writing, &c.; in the higher kinds of literature, or literature proper—Why the man of letters cannot live by the pecuniary result of his writings	167–175
2.	Disorganisation in the sphere of spiritual production; serious results to society—No provision for the philosopher or man of letters—Growing importance of his functions in modern society	175–179
3.	The new and the old spiritual powers—The old spiritual organisation in possession of the allotted endowments, but unable to discharge its old function or	

SECTION PAGES

assume the new—The new spiritual power unable to live materially—Resulting moral chaos, and loss and waste of highest genius and capacity . . . 180-182

4. Wages of the poet, painter, actor, man of science, and inventor—Justification of the reward of the latter in the form of patent-rights, but only for a limited period—Social reasons for the limitation of the patentee's rights 183-187

CHAPTER VI.

THE SOCIAL RESIDUUM AND ITS PORTION.

1. The congeries of classes in the social residuum—Types in our Social Inferno 188-191

2. Stray specimens—Numbers in the class—Their miseries—Relative increase in recent times in their purgatorial pains—The question, 'What can be done for them?' pressing—Grounds of hope as regards the rising generation—Hopes of total extinction of the Social Inferno, how far justified 191-199

3. How the inmates live—Partly explicable, partly a mystery unpenetrated by science 199-202

4. Typical case in which the veil of mystery is lifted—The philosopher-tramp and his theory of life . . . 202-205

CHAPTER VII.

FIGURES AND CONCLUSIONS.

1. Total income of the nation—Total incomes of the different classes: the landlords, the clergy, the middle class in general (including capitalists, the professional classes, &c.), the manual labouring class, the casually employed. Amount spent in poor relief . . . 206 210

2. Criticism of the actual distribution of wealth—How far the existing distribution is a 'necessary' one—In what ways it may be altered—Overpaid and underpaid classes under present arrangements—Advice to the landlords—Conditions under which the Church might, perhaps, save her endowments and secure her continued existence 210-220

BOOK III.

PROPERTY AND INEQUALITY OF WEALTH.

CHAPTER I.

MODERN INEQUALITY AND THE RISE OF THE CAPITALIST.

SECTION		PAGES
1.	Distinction between poverty and pauperism—Cause of the latter—Resources of the propertiless—Necessary consequences of private property—Causes of inequality	223–227
2.	Results of inequality—Slavery—Difference between ancient and modern slavery—Advantages and disadvantages of each—The modern low-class labourer in some respects worse than the serf or slave of former days—Modern slavery only affects the lowest class of labourers—How the classes above the lowest have secured independence and a considerable share of the general wealth	227–230
3.	The tendency to inequality prodigiously developed by the Industrial Revolution (1775–1825)—Causes of the Revolution—Awakening of the inventive spirit—The most important thing for our species since the rise of Christianity—Immediate results of the scientific discoveries and mechanical inventions in the sphere of industry—Large production and the power of underselling—Whence came the large capital required?—The capitalist and the banker mutual allies—The new 'Commendation' under the new industrial and social system	231–234
4.	Fresh and greater development in the system of large production from the introduction of steam power in manufactures—Total revolution in our industrial and social economy—Characteristics of the new system—Economic results—Industrial conquest of the world by our great capitalists and merchants—Partial expulsion from the Continental market by protection—New markets discovered	235–238
5.	Remarkable social type produced by the industrial revolution—The capitalist proper or capitalist employer—Concurrent causes which produced him—Did not make his position, but seized a golden chance, the like of which may never recur—The story in brief—The capitalists' universal conquest at home	238 243

SECTION PAGES

6. Wealth of the capitalist—How he spends it—His power, political and social—His predominance in Parliament 243-247

7. His conquest of political power after the Reform Bill of 1832—Gradual swallowing, with secret qualms, of the Chartist programme—His complete triumph—The great success of our century—Attitude to thought and letters—Exploitation of the literary operative as well as the manufacturing . . . 247-251

8. The rich man as unproductive consumer—Great social significance of the rich man (whether capitalist or landlord) when viewed in this light—How far he can consume his wealth—What is called consumption, not literally so, but only spending, for which he always gets a *quid pro quo*—Is largely a trustee of his wealth, but with a difference—Classes who gain by his spending—Common error as to the effect of the rich man's spending—Does not much diminish the stock of material things—Reasons—Does not take food from the hungry or wine from the well-to-do, less rich than himself, but rather the opposite . . 251-260

CHAPTER II.

THE SUPREMACY OF THE CAPITALIST.

1. Comparison between the American rich man and ours—Real evil of the rich man's power of spending money—Can compel others to his service—Dangerous power hence exerted 261-265

2. Full position of the capitalist shown by considering what is done with both parts of his income, his savings and his spendings—Great number of people benefited by him—The Socialist attack on him—Remarkable and fortunate position of the capitalist . 265-271

3. What checks the indefinite increase of the great capitalist's income—Division of the mass at each capitalist's death—Tendencies of the great businesses to become family joint-stock companies—Conditions of the appearance of the great new capitalist . . 271-274

4. Important social results of the constant re-division of the great capitalist's property—Error of Professor Fawcett's opinion that 'the rich are growing richer'—Tendency of capital to be kept in the capitalist's family—Limitations and exceptions to this . . 274-277

CHAPTER III.

PRIVATE PROPERTY: ITS ORIGIN, NATURAL AND HISTORICAL.

SECTION		PAGES
1.	Our system of individualism and private property—Deep roots of the system and wide range of its effects	278-280
2.	Private property and individualism reached in all societies under all civilisations at a certain stage—Examples under ancient civilisations—Under modern civilisation—How far the universality of the phenomena implies a social necessity and a scientific law—Private property not a necessity according to some, but the true 'fall of man'—Importance of the question of the origin of property at the present time	280-287
3.	Two ways of dealing with the problem—The historical method and the deductive or abstract method—Defects of each method—The true method a union of both	287-291
4.	Conclusion as to the first historical condition of men—'Natural Communism'—Man before history, but comparatively unknown—Condition of mankind when the light of history first falls on it, communistic—Characteristics of this state—Natural tendency to virtual individual ownership of certain things, though nominally owned by the community	291 294
5.	Blackstone's theory of the origin of private property—Wrong of individual ownership—Would have partly applied to tribal—The two cases of colonisation and conquest distinct—Tribal ownership implied occupation *plus* the sword, actual or potential—Growth of the village community and resulting necessity for planting younger villages with divisions of the land—The question of the origin of private property rises up for both believers and disbelievers in primitive Communism	294-301
6.	Habits impressed by climate and previous history factors in determining the degree of change from Communism—Also the instinct of appropriation and acquisition—No ownership of land till after agriculture was practised—Influence of constant war in keeping up community—Effect of cessation of war and the practice of agriculture in the direction of private property—Influence of 'the family' in the same direction	301-304

SECTION PAGES

7. Political reasons for private property, founded on economic and moral considerations—The general sense of the community, as represented in its headmen, favoured private property—Private property of the soil a natural principle of distribution which encouraged industry—Influence of wife and children—Physical circumstances favouring private property—Even Communism supposes some sort of individual property—Peculiarity and limitations of proprietary rights under Communism 304-310

8. Reservation of the rights of the community—Impossibility of passing absolute proprietary rights to individuals—Impossibility of binding their posterity—But lands let to individuals tend to be held in permanence, and to become private property—Natural rise of the principle of inheritance, the corner-stone of the system of private property—Other co-operant causes of private property—Impossibility of recalling the village community to life in our days . . . 311-317

9. The other origin of private property—Force : external war or internal usurpation by the chief—Private property first begins with the chief—Causes of the extension of the power of the chief—Case of England before and after the Norman Conquest—Existence of both private property and a kind of Communism—Transition—Causes of our peasant wars and insurrections—Present position of things and need of change 317-322

CHAPTER IV.

COMMUNISM AND PRIVATE PROPERTY.

1. Theory that private property is the expression of an original instinct—Analogy of the lower animals—Primitive instincts of man undiscoverable—Earliest history and scientific conjecture indicate groups, and therefore a community of property 323-325

2. What is instinctive as regards acquisition even under Communism—Tendency of the family group to initiate inequality of distribution unless there is community of wives and children—Stimulus to accumulation and acquisition under individualism, especially after money has been discovered as a medium of exchange—Evils of individualism—What constitutes the strength of Communism, and has caused the engrafting of communistic elements on the opposite system . . 326-329

SECTION PAGES

83. Types of character that originally favoured individualism, especially the egoistic and the covetous type—Their unsuitability to Communism—Types that favoured Communism—Influence of the women cast in favour of individualism 329-332

CHAPTER V.

GENERAL REMEDIES: POLITICAL AND MORAL.

Powerful passions and principles of human nature which intensify love of property—Property both the symbol and the substance of power; the deliverer from fears, anxieties, and a host of evils—The moralist's attack on riches; inconsistent or illogical—Buckle's view—Carlyle's 'Hell of the English:' the want of money—A true Inferno, with many circles—Iago's advice, sage counsel under the actual system—All-compelling strength of the theory of individualism, however vulgarising and demoralising—Resulting contradictions in conduct and antinomy in morals—How to escape? 333-341

Sole solution of the antinomy—New conception of life, and changed conception of property—Heart of the social problem—Knowledge, historical and economical, a first condition of reform—Clearer perceptions of justice requisite—Difficulty from atrophied moral sense—Disastrous effects of mechanical religions, and moral philosophies not taken seriously—Apprehensions for the future from this point of view—The theory of individualism will require qualification, and theories of property and contract careful revision—Moral changes most requisite of all—Advice to the rich of all types 342-354

Moral consideration addressed to others rather than the rich and poor—Middle condition best for man, as an approximation to equality best for society—The two alternatives at present before society—Third seeming alternative of *laissez faire* not possible: found impossible in the past, and if now tried would bring in a social revolution, violent and speedy—Disbelief of the working classes in *laissez faire* and social evolution unassisted 354-359

Objections to interference with property or contract—The 'sacredness of property'—In what sense true—Property, as defined by law, sacred, but law may

SECTION P.

change—Reserved rights of the State over both kinds of property—Freedom of contracts, and their enforcement—Contracts that cannot be suffered to remain free—Contracts that the State should not lend its aid in enforcing—Freedom of contract should be interfered with when it is abused to the hurt of the working and poorer classes—Trades' union limitation of free contracts in the interest of members—Contrary tendency in our days to Sir H. Maine's law of movement from Status to Contract—Necessity in a democratic community of this reversed tendency in certain directions 359

BOOK IV.

SPECIAL REMEDIES.

CHAPTER I.

EDUCATION, CO-OPERATION, AND LAND DIFFUSION.

1. The cry of Equality—Equality impossible, short of Communism—Equality of opportunity how far possible—Social dilemma—Equality impossible, and yet we must get rid of our present inequality—How to solve it 369

2. An approximation of the wide extremes possible—We must reverse past policy, which aimed at producing and keeping up inequality—Necessity for so doing—The doctrine of Equality a mighty power, and the watchword of human hopes—Its past work in America, and in France—Triumph in the sphere of ideas, though conquered on the battle-field—All the great minds of our century shaken by it—Real significance of the cry of equality—Is not only a social protest, but, above all, Nature's protest, that her inequalities have been overridden by social inequalities . . . 371

3. The central and greatest problem: How to make a hierarchy according to capacity, or give Nature's aristocracy their fair chances compatibly with private property and the principle of inheritance—The only possible lines of its solution in practice as distinct from speculation—The children of the people must

SECTION PAGES

be educated, and the *élite* must have access to the highest culture, and thereafter to the highest careers—The past ahead of us in this—Whence to get the necessary educational funds?—Necessity for providing them, whoever suffers—Advantages: would remove the greatest grievance of the democracy, and tend to make it satisfied in future—Further consideration: the existing system has wasted genius for ages that, unsmothered, would have advanced us far beyond our present stage, in all directions—Future gain to the nation to be hoped for from this point of view . 376-382

4. Insufficiency of education alone, to raise the condition of the generality—Limited power of trades' unions—Further means of amelioration suggested. . . 382-383

5. Co-operative production—Consensus of opinion in its favour—Advantages—Difficulties in the absence of State help—Consequences of accepting State help—Advantages of the capitalist system of production—Profit-sharing and co-operation should exist together—Cairnes' view—Cases of co-operation in Oldham—Why co-operation has not made way hitherto—Reasons, both moral and financial—Error of Cairnes. . . 384-393

6. Peasant proprietorship, allotments, and small holdings: peasant proprietorship the remedy in Ireland and the Highlands of Scotland—The case of England considered—Where a large farmer cannot make a profit, a small farmer, who would otherwise be a hired labourer, could, at least, live by the land—Resulting advantages, social, moral, and national—Serious state of things at present—The money difficulty—Mr. Chamberlain's scheme—Compatibility of the small with the large farming system—No need for the State trying to buy up all the land 393-400

CHAPTER II.

ON SOME HEROIC REMEDIES.

1. Land nationalisation: the schemes of Mr. George and Mr. Alfred Russell Wallace—Land nationalisation by compensation to landlords possible, but the general resulting good doubtful—Mr. Wallace's scheme an improvement on the simple confiscation plan, but would logically lead to nationalisation of capital—The scheme ingenious, but not adapted for present application by politicians 401-406

SECTION PAGES

2. Though land might be nationalised by giving compensation, capital could not be; as it would require the capital of the nation to buy out the capitalists—But the capital in a given industry or business could be replaced by State capital, *e.g.*, the Railway service—Condition of the State's undertaking any service or industry—Must forbid competition—As a general rule the State should leave industry to private enterprise, except such kinds as can be turned into dangerous monopolies 406-409

3. Short road of the Social Democratic Federation to the nationalisation of land, capital, and salaried places—The State might appropriate them, if so minded, and might become so minded as the result of a violent revolution—A Socialist *Coup d'Etat* would not necessarily transfer all property to the revolutionary Socialists, but would lead to civil war and anarchy, long or short—Even if conquerors, the Socialists would have a task beyond mortal powers, the reorganisation of the whole industrial and social order, the regimenting of a nation, and putting all the units into their places—Even this difficulty got over, the new system would speedily collapse—The revolutionist's disregard of the chief lesson of history and science, that human nature is a tolerably stable thing, and suited, though roughly, to its social environment—Powerful present desires in human nature that would lead inevitably to counter-revolution, and the break-up of the Socialist State—The revolt of the revolutionist not merely against a political or social system, but against human nature, of which existing institutions are the outward expression—Advice to the revolutionary Socialist 409-418

4. The Anarchist—Difference between him and the revolutionary State Socialist—His aims—First stage: the destruction of the State and all its Institutions—The hope of the Anarchist—Fair vision of the Anarchist beyond the destructive stage 418-422

5. Anarchism not mere madness, but the product of ultra logic, regardless of life and all that stops the way—The germ of the destructive part of the theory to be found in Rousseau—That existing institutions are evil, a conclusion common to Carlyle not less than to Karl Marx, and Bakunin—The three ideals compared: Collectivism, Cæsarism, and the Commune—Difficulty of realising any of them—The true difficulty of the

SECTION PAGES

Anarchist—The circumstances, political and social, which engender Anarchism and Nihilism—Note on the ideal of some of our Local Government reformers 423–431

CHAPTER III.

MALTHUS.

1. The doctrine of Malthus, as laid down by Mill—The cause of low wages and of poverty—The only remedy 432–434

2. Real objections to Malthus twofold—The remedy will not be applied by patient, and if applied would produce worse ills than the disease—The question deeper than marriage—The alternatives to marriage—Conclusion, as it affects the working classes and the social residuum 434–440

3. Further reason why labourers marry: children may keep them out of the workhouse in their old age—Other considerations which render Malthusianism beside the question—Powerful influences against Malthus—Malthus and Buddha—With two continents not half-peopled the danger of over-population not pressing—But may lie before us in the future—Herbert Spencer's promised alleviation—Our case more hopeful than when Malthus wrote a century ago 440–444

4. Malthusianism, as it affects the middle class, a more complicated question, and no general rule is possible—Evils of marriage on narrow incomes; evils of non-marriage, both social and individual 445–448

CHAPTER IV.

SUMMARY AND CONCLUSION.

1. Recapitulation of the series of remedies discussed—The stress of the problem relates to the unemployed in general, the reserve army of labour, the worn-out labourer and the social residuum—A work of prevention more than of cure, which will task statesmen, philanthropists, and social reformers to the utmost—The greatest of works—Very Radical measures may at last be found necessary 449–456

2. All possible remedies run up into moral considerations—The question on which all seems to turn, can man be made morally better?—Apprehensions as to the future from this point of view—Low tone of our actual work-

SECTION PAGES

ing ethics—Comparative failure of the mammonist money hunter—Greater failure of the idle rich—Nature's compensations to workers in general, and those who have not gone too far from her ways—State of religion worse than that of morals—Accommodation of Christian doctrines to the rich and mighty—The Socialism of the Gospels . . . 456–464

3. Reassuring considerations—We have been for some time on a different course—Hopeful signs of the future—The new spirit of Democracy in the State, Parliament, the Church, and Literature—Future danger from the element of unreason, and what is called Chance in the course of History—Conditions of safely passing through the coming critical times—The final social goal—What chiefly keeps us back . . . 464–470

APPENDIX.

ON THE RELATIVITY OF POLITICAL ECONOMY . . 471–479

BOOK I.

THE SOCIAL PROBLEM AND ITS HISTORY

INTRODUCTORY.

CHAPTER I.

GENERAL.

§ 1.

A QUARREL old as the world again threatens to break out—a long-standing controversy, that has been debated with sword and pen, by men of genius and embattled armies with ever-varying fortune, but with no finality, has once more reached a critical stage—the old quarrel between Plato's 'two nations,' the Rich and the Poor; between those who, whether by luck or law or art or merit possess the earth, and those who find themselves with nothing for their portion, including the new issue between the few who have drawn to themselves much, and the many who have got little in the division of the great mass of material wealth, produced by the modern worker under the modern director of work.

Yes, indeed; it is just this old sore that has again reached the inflammatory state that threatens danger to the entire body. But why? is the surprised inquiry of many. Are not the poor less poor than formerly, the masses generally improving in condition? Have not our most eminent statisticians demonstrated that the wages of the labouring classes

are higher, even by 40 per cent. in the past forty years? Have they not shown, too, that the purchasing power of their wages is greater, that the price of most necessaries is cheaper, that their work is more constant? And do not the figures prove that fewer need public charity, and generally that the social residuum is diminishing in its numbers? Are we not giving the children of the labouring classes, as well as of the unemployed, free education? Have not the people got their parks, their open spaces with flowers, their free libraries with books and newspapers? Has not the Legislature shortened their working hours, interfered on their behalf to protect them in mines and factories and workshops? Nay, have not great ladies been trying their best to amuse them, been giving concerts, and providing for them 'high-class music?' In fact, have we not been doing anything and everything to gratify and satisfy them?

To nearly all which must be replied, Most true. And yet every one of these reforms and good works reminds the people of a past privation or injustice, and not one of them brings gratitude. The sum of them only shows a part of the long list of injustices that they have suffered; the arrears, as fast as they are worked off, only arouse an appetite for something more, and more considerable yet. Their condition improves, but less fast than their need, less fast than their roused and rising aspirations. Every advance is a permanent gain for them, that is their comfort; but the advances have not, after all, been so considerable, when we come to examine more nearly their actual condition, both as regards what they have and what they lack, in this great day of the nineteenth century,

so full of glorious possibilities for those who enjoy a moderate amount of leisure, liberty, and money—all of which is denied to them.

If we compare the people to-day, section by section, down to the lowest residuum, with the people one hundred years ago, it would be found that there was a very considerable improvement as respects each; but if we contrast their lot with that of their happier fellows of fortune to-day, the improvement would be seen to be much less, and it is the unfavourable comparison with the happier classes above them that operates on their minds and rouses at once dissatisfaction and grudge and envy and ambition.

And what is their condition with all its improvements? Mostly hard and monotonous work, long hours, small wages. For they are small, if they only serve to keep the generality as we see them. The labouring classes do all the monotonous and disagreeable and dangerous work for our benefit, for the benefit of the classes above them. They have little or no leisure, little or no real liberty which is incompatible with their hard work, and they have little money over their own needs and those of their families. This is the low and precarious state of the labouring many, and for those who do not labour and who have nothing there is a still more serious and threatening state of things—a wretched, harassed, and mostly shortened life, without a single good thing except their 'liberty,' for which, when out of prison or workhouse, they have paid an extremely heavy price.

On the other hand, life for the fortunate was never in any age nor under any civilisation a greater gift, or

susceptible of grander possibilities, than it is to-day, let the pessimist philosophies say their most pessimistic. Even for men with only moderate incomes life was never more enjoyable, never promised so much. And the toiling multitude see not only much of this to arouse their envy, but they see on all sides all the outward and splendid and ostentatious signs of limitless wealth to feed their desire or fire their cupidity. They see the signs of riches in all directions; acres covered with palatial mansions for the very rich, square miles of handsome houses for the comfortable classes, never-ending rows of villas for the people with a competence. To these superior classes belongs all: leisure, liberty, luxuries, whether of the sense or soul. To them also the monopoly of all superior things denied to the poor—art, science, letters, culture, all the flowers and quintessence of long civilisations, the accumulated excellences of ages, as well as the most choice and costly material productions of the highest arts of our own times.

§ 2.

It is comparative poverty in the midst of this boundless and ever-increasing wealth; it is comparative slavery of the toilers in the midst of increased liberty, leisure, luxury, and the increased pleasure and power which wealth in our time confers, that makes the grievance of the labourer, and raises the grudge in his heart; it is this, joined to a rooted and bitter feeling that all this vast and varied wealth is not only unjustly divided, but is mainly a creation of their hands. Our labour, they say, has made all these things.

Our labour, working on the results of other workers' labour, and aided by the results of past labour, has created all these things, which represent our sweat and toil and skill. Our life has passed into these things, and yet of all the produce which our hands have fashioned how small a portion falls to our share! Moreover, we are millions and our needs are great, whilst they who get the lion's share, and far beyond their wildest wants, are few. Why, then, is wealth divided so unequally? Why are things ordered thus?

Thus feel and reason the large and labouring portion of the population, and especially those who are productive labourers or makers of material things; while in the breast of that far more depressed and hopeless portion, called the social residuum, including the landless, the penniless, the hopeless, and the reckless, those who cannot get labour, as well as those who will not labour, there is the feeling that they have been somehow wrongfully shut out by their social superiors from the banquet, and have been unjustly disinherited of their portion of the earth and its fruits —the common heritage of all the children of men.

Thus feel both the labourers and the lack-alls who do not labour, and partly both have a just grievance and a true quarrel against society. Labour is indispensable for most of our wealth, and for all material wealth it is a necessary factor, without which such wealth could not exist. It matters not that other factors concur to produce our wealth, as directing living intelligence, capital, and the long results of science and civilisation. All are required—hand labour, head labour, capital, the present forces and materials of nature, above all, the accumulated in-

ventions and processes and appliances of many civilisations, the total sum of which is at our service to-day. All are required, and most must be paid for; but if any one of all is most indispensable it is the labour and skill lodged in the arms and brain of the many classes now labouring in weaving, spinning, mining, sailing, building, planting, that we may live and enjoy life. We could not do without them; in their absence, if the thing be thinkable, we should either have to do the most necessary part of their work for ourselves—a thing impossible—or tell off certain individuals to do the most necessary part, that is, create a new labouring class to do a part of the work very imperfectly.

The labour of the many is necessary for our wealth and civilisation to be kept up, and yet the labourers are for the most part poor, and shut out from the blessings and benefits of our civilisation. They are in general poor—some of them are destitute of all things. Many of them are miserable on account of their poverty and the multiplied ills that poverty brings, not only on themselves but on their children. Further, both the wage-labourers and the lack-alls, as well as the great intermediate and most anxious class, whose condition shades into lack-allism, feel aggrieved and have a grudge against the rich and against society generally, its laws and institutions. But also they have been told ways in which their miseries may be removed and their wrongs righted, and this not merely by agitators, but by responsible and leading politicians. And hence the labouring classes generally begin to feel unwonted hopes; and for even the forlorn multitude, sunk or sinking in the social abyss,

and walking in the valley of our social Gehenna, something like a light in their long night of misery and darkness has at last sprung up.

And these things together, as they have given birth in most countries to socialist aspirations and feelings, so they form the essence of what is called the Social Question, for some time past before the world, but now declared urgent, and demanding some sort of solution in all civilised countries.

§ 3.

The question is, in fact, universal; this, it is, which makes it impossible to deny or ignore its existence. It is everywhere present—in France, as in Germany; in England, as in the United States; in Austria, Italy, Spain, Sweden, Denmark. It exists in republics, limited monarchies, autocracies. Only the uncivilised or semi-civilised countries enjoy the doubtful advantage of exemption from it—a consideration suggesting the gleam of comfort that the Social Question comes with advancing civilisation and industrial development, and corresponds to a general scientific situation, the product of like economic and social conditions in all these countries. It suggests that the existing socialistic phenomena may be only the sign and precursor of fuller industrial and social development that is pushing to make way as a further growth, instead of a perilous social disease, as some interpret it, that will slay society if it be not slain.

Though universal, and essentially the same problem with the same broad features, yet it presents itself in each country with a difference, according as

the one or other of its two main branches, known as the Land-Question and the Capital-and-Labour Question, is the more urgent, or as may happen if both are urgent. In England, though both branches are important and urgent and before the public attention, of the two it is the Labour Question that is the more important, both on account of the much greater number of the population affected by it—the men, women, and children engaged in manufacturing, mining, building, and other industries being much greater than those dependent on the land for living; and also because the Capital and Labour Question to some degree embraces the Land Question, in so far as the farmer is a capitalist employing labourers. In Ireland, mainly an agricultural country, it is chiefly the Land Question which engages attention; while in Scotland both are prominent, and perhaps equally so; but in all countries the two branches are more or less connected, and any solution of the one affects the other.

To come to the more specific issues in each branch of the question. In these countries the landlords are enabled by their position as monopolists of the land to levy an enormous tax in the shape of rent on the annual wealth of the country, both of what is produced in the agricultural regions and what is made in the great towns by trade, commerce, and even professional labour—the former distinguished as agricultural rents, the latter as ground rents. This first claim the landlords are able to make effective through the competition of farmers or business men to get farms or business premises as the necessary instruments of their labour. It is constantly increasing,

without necessity on the landlord's part to take further trouble than relates to the collecting of it. Further, this rent cannot be prevented from existing, being the equivalent of advantages enjoyed by the farmer or business man—in the former case, being the excess over ordinary profits on better lands, in proportion to their superiority; in the latter, a price paid for advantageous position for trade. It is hence argued that it should not belong either to landlords or to those who pay it to landlords, but to the nation as a whole, or to the State as the representative of all. According to Mr. George and the Land Nationalisation Society, the land and the rent from it should belong to the State, and its ownership should be resumed by the State, with or without compensation, while the rent should be applied for the general benefit, either by the remission of an equal amount of taxation, or in some other generally useful way. Such are the views of some, with which Mr. Herbert Spencer so far agrees, that he thinks the State will probably one day resume ownership of the land on behalf of all, after making due compensation to existing owners. According to the views of Mr. Mill, who occupies a half-way position, only that portion of the rent should be appropriated by the State which represents what he calls the 'unearned increment;' that is, the increase due to natural causes, economic or social, which takes place wholly independently of the landlord's efforts or expense; such as the raised price of agricultural produce, the extension of the great towns over the landlord's property, the increased demand for coal and iron, the expansion of our railway system—in a word, by what Mill

calls the general progress of civilisation, all which tend to transfer to landlords an ever greater proportion of the national wealth.

Such are some of the issues raised by the Land Question, to be discussed hereafter. Again, and with respect to the Labour Question, the artisans and labourers in the manufacturing, mining, building, and other great industries, chiefly in the former, have been told that employers confiscate the results of the labourers' work, that the employer's profits, and for the matter of that the employer's capital, properly belongs to the labourers. In support of which thesis Ricardo's doctrine is appealed to, that value depends on quantity of labour. Further, our labourers have listened to Karl Marx's theory through Mr. Hyndman's exposition, in which it is maintained that the labourer reproduces the value of his daily wage in one-third part of his working day, the capitalist thereby securing the work of the remaining two-thirds for nothing—a doctrine in which there is just so much truth that the employer undoubtedly makes a profit on the wage advanced, as well as on all other advances; but in which it is forgotten that the employer has machines at work as well as men, that they are his, and that he gets the product of their labour as well as of the human labour—the amount of value due to each being impossible to say.

But further, and this time with better reason and by wiser friends, the working classes have been told that certain so-called economic and 'natural' laws, which were said to determine their share in the distribution of wealth, rigidly and without appeal, were not scientific laws in the sense intended, the sense in

which employers and economists wished the phrase to be understood; not natural laws, in the sense that employers and employed were alike powerless to have them altered; that something like a fatality prevented employers from giving higher wages, or the employed from getting them; that nothing possibly could be done by workers to draw a larger share their way in the distribution. These natural laws the working classes have discovered were not eternal and unalterable, like the law of gravitation, with which economists were constantly comparing them. They were alterable, when those chiefly concerned combined together and agreed that they must be altered, and they were alterable without a fundamental alteration in human nature.

The working classes, finding that the natural laws which they were adjured not to foolishly rebel against were somehow always on the master's side, at length began to doubt their truth—to deny their applicability, and at last they hit upon the great device of summoning to their aid counter-natural laws, to deliver them from the oppression of natural laws, by which means they not only escaped the evil incidence of the latter, but presented a new speculative problem to Political Economy—namely, how far a collective interest or group can raise its wages on threat of striking work, and what would be the effect on the distribution of wealth by a universalisation of the practice over the entire field of labour? In fact, and in short, the labourers have brought on their organised self-interest and class interest against that of the employers, and by this means they have diverted to those in union a larger share of the general wealth, sometimes at the

expense of their employer's profits, sometimes at the expense of the public, including some of the working classes themselves, whenever the employer has contrived dexterously to pass the blow on to the public through raising his prices,—sometimes even it is to be feared at the cost of the reserve army of labour and the social residuum.

The working classes have also discovered that the doctrine of non-interference by the State between employer and employed would leave them, under the much-abused name of 'freedom of industry,' helpless at their master's mercy, tempered only by his views of self-interest, which might prompt him, if he were a colliery proprietor or a shipowner, to place the sailor's or miner's life at the risk of preventible accidents that in former times slew them in hundreds annually, and which at all times urged him to work his hands the utmost possible number of hours for a given wage. The workers and their friends in Parliament have succeeded in getting the State to interfere in the different Factory and Workshop Acts; again, in the different Bills to reduce the number of weekly working hours, to regulate the labour of women and children, to extend employers' liabilities, to regulate merchant shipping, &c. By these means many lives have been spared, and the physique of the nation saved from being ruined; and at the present time Trades' Union Congresses demand still further legislative interference to protect the lives and health of the workers, and to lessen the hours of their labour.

And there are some of the more specific aspects of the Social Question which, together with the chief issues involved, will receive a full discussion hereafter.

There is one other thing to be here premised. The question itself shades into a larger problem—the problem of the general distribution of wealth, and it cannot be fully or profitably dealt with without some consideration of that larger, and, in some respects, more interesting problem. More interesting, because the social problem by itself chiefly concerns capitalists, landlords, farmers, labourers, and the social residuum, while the general problem of distribution includes these and all other classes—both those whose labour is other than manual, and those who live without labour on the interest of their made or inherited capital.

CHAPTER II.

ORIGIN AND PURPORT OF THE PROBLEM.

§ 1.

I HAVE said that poverty was the fundamental cause of the dissatisfaction and social unrest of the labouring classes. But it cannot be the sole cause of their present temper, still less of their aroused hopes. For poverty has always existed, often in far more pronounced form, whilst even during the present century it has affected a larger proportion of the people than it does at present. In addition to poverty there has been, as already stated, an aroused sense of injustice, and a further aroused and now very sanguine hope of mitigation of both the poverty and injustice, both of which phenomena are new in our century—though they have existed in former ones. And there has been further added what perhaps is only a consequence, a keener consciousness of their actual condition, beset with many evils, miseries, and privations, however lightly outside optimists may rate them. The attention of the labouring multitude has been called to the ills of their own case, and the general attention has been called to them, and this last has reacted on the sufferers. The masses have been made to dwell upon, perhaps in consequence to exaggerate, the ills they feel; at all events, the awakening of

attention to our evils and the dwelling on them is always an increase of them, whether real or imaginary.

This awakened consciousness of the many (as they are called) to their state has been partly produced by the better education which the generation just grown to manhood has received. Having tasted, through their newspapers, of the fruit of the tree of knowledge—for a long time to them forbidden fruit—they have discovered their actual naked condition before the agitator came to enlighten them. And having learned to read, and the best of them in some measure to comprehend economic and social reasonings, they have further found that great writers, and the highest and noblest minds for several generations back, have all been commiserating their case, inquiring into its cause, and labouring earnestly and not unhopefully to ameliorate it.

The Social Problem then, and the awakened consciousness both of the people and of the educated classes, which is an important factor in the problem, has not been produced immediately and in the first instance by poverty. Nor yet has it been produced, as some suppose, by agitators and demagogues for selfish purposes; for the agitator himself is but a creature of the causes which produced both him and the problems which he makes his capital out of. Like all other great movements, it has been produced and precipitated upon the world by the higher minds, by men who were able to clearly see and strongly speak what the many dimly felt.

It exists because, from the middle of the last century to our own days, an unbroken line of remark-

able men have appeared, who have, each in succession, turned their eyes on the condition of society, and have each and all discovered it to be full of social evils and injustices, to be maladjusted, and 'out of joint' in its social relations and parts; and because, though reforms have everywhere set in, in consequence of their denunciations of the evils they saw, none of them as yet have gone to the root of the evils complained of. It exists, because of the denunciations of society by the prophets and philosophers from the days of Rousseau to the days of Carlyle, in spite of the mitigations in the time between and since; it exists, because of the economic theories and social speculations of a host of able men of various views in other respects, but who all, whether in England, France, or Germany, agreed in turning attention to an inequitable distribution of wealth as the central evil of society; because men, like St.-Simon, Fourier, Owen, Louis Blanc, convinced of the incurable evils of our actual social system, as founded on private property, have fallen back on Communism, more or less pronounced, as the only hope for mankind; because even our economists, like Mill, and Cairnes, and Fawcett, despairing of our present industrial system, recommend co-operative production, while our Government, under the rising tide of opinion, is being more and more committed to a policy of State Socialism. Moreover, it exists and has grown more urgent, because great poets all through the century, from Shelley to Victor Hugo, have taken up the thoughts of thinkers, feeling, by infallible instinct, that the hopes of the human species, as distinct from small sections of it, lay in the direction indicated by the

philosophers. Above all, it exists because the ideas of the higher minds have percolated down to the people —the most concerned—by various rills and channels, including the newspaper and the agitator; and because politicians have at length been compelled, if not to look a little ahead, to look around, and try and understand the new ideas fermenting and the new social forces at work, and which now that the people have got (in name at least) the supreme political power, it behoves them for their own interest and safety to understand. In this great movement of ideas the part of the agitator has been the humbler one of intermediary, and his function that of distributor (often with much adulteration) of the thoughts of the few powerful original minds, who from first to last were the real causes of the great social revolution in the midst of which we are.

It is true. The philosophers, or rather the original thinkers, are alone to blame in the long run—if blame there is to be. It is they who have raised the Social Question in modern times, they who most clearly saw, who most strongly felt the social evils and anomalies and abuses with which society was everywhere filled, the 'unweeded garden' that society had become, with things rank and gross alone possessing it. It is they alone who fully comprehend the question, who perceive the true meaning and significance of it, and the necessity for raising it; and I add, it is they alone who possess the key to its solution. It is they alone who can indicate the true lines of its solution by speaking the words of light and wisdom which they best see, and the words of justice which they most strongly feel; and without which the short-sighted and groping

efforts of politicians will be vain, or worse than vain.

I should indeed be much more disquieted, in the presence of this most redoubtable question, the solution of which comprises the whole future of society, if I did not hold the faith, steadying and reassuring, that it was raised by just and wise men whose mission in the world was to raise it—men sent from Heaven into the world to enlighten it, and to right the wrongs which many suffer; men whose type has always appeared as warners and teachers in all societies and under all civilisations, at late stages of their development, or, as so often turned out, at early stages of their decline, or before their dissolution, when injustices had increased and iniquities abounded; men, not self-seekers, nor fame-seekers, nor ambitious, but truth speakers and justice bringers; men who saw clearer than the rest, who loved their kind, who were stirred with pity for the wretched and the wronged, and with indignation against the wrong-doer and the oppressor. Amongst the Jewish people such appeared, and were called prophets, believed to be inspired by God, and to be the bearers of His will to men, which, if He be the Just One, undoubtedly they were. Sometimes they were sent to denounce a wicked ruler; sometimes, like Isaiah and Ezekiel, to denounce a society all gone wrong, especially one that had enthroned and consecrated injustice, and in which the poor and needy were oppressed, and made of no account by their mightier brothers.

Amongst the moderns, too, when the fulness of times required his presence, the prophet has appeared, though in slightly altered guise and under a different

name, according to the degree of honour or the reverse in which his *rôle* happens to be regarded. He is now philosopher, man of letters, perhaps poet, the former being his generic character. Again, and to express disapprobation, he is doctrinaire, social projector, system-maker, revolutionist and utopist, closet philosopher and unpractical man of theory. But however named, one main function of the true philosopher and prophet in modern times is that of the greater Jewish prophets—to denounce social unrighteousness, and to point out the ways of righteousness, which means justice, individual or social, in which ways lies happiness for a people. And his other function is likewise similar, to point out the path of wisdom for the individual. Nor, as a rule, have the modern prophets been unconscious of their true mission; nor have our own, from Hobbes and Locke, to Bentham, Mill, and Carlyle, forgotten either part of their function, though all of them have been tempted much to wander out of their way to discuss metaphysical questions as to the origin and goal of the universe, and the origin and destiny of the soul, forgetful oo much of its earthly destiny the while, or to discuss ndlessly the nature of virtue and justice, in a society here vice and injustice abounded. Happily there re signs that the existing School of the Prophets ecognise their proper work to-day—whether from he exhaustion of the metaphysical mines, or from he increasing social unrest, it matters not. There is an increasing tendency of happy omen to turn attention to the condition of man on earth, to man in society, to take up the problems of life and conduct; and, as a preliminary, to consider the structure and

institutions of society on which the problems of life and conduct and the questions of morals so very much depend. For the solution of our problems their help is of vital importance, and we hail with satisfaction the sign that they are becoming fully alive to where the true field of their activity lies to-day.

§ 2.

Poverty, a sense of injustice newly aroused, the thoughts of thinkers that have got down to the people, the existing gross inequality of wealth which begins to prove embarrassing even to the holders of the mightier masses of it, and, lastly, as the crowning condition, the diffusion of education and a taste for reading and discussion amongst the grown generation, have all conspired to make the present social situation and to bring up the Social Problem—more pressing than when the people were poorer, but also more soluble and more manageable, partly because there is now a better and more general moral disposition to try to solve it.

Education and the spread of knowledge have mad the essence of the situation and the question modern times—why then did the ruling classes perm the people to get the education? a question we mu ask, assuming the usual egoism of dominant classe Why did they place a power and a weapon in th hands of the people so likely to prove dangerous t their own class ascendency? The answer is, they di not do so as long as they could help it, and they re sisted it as long as they could; and when they coul no longer do so, when the power was passing away

they still contrived to minimise the education given as much as possible.

So long as they considered it politic to resist—that is, until late in the present century—the ruling classes kept the lower classes in ignorance by every means they could think of. For thirteen centuries, as Carlyle complained, the alphabet was denied them, so that few of the poorer sort could read, while books were dear and a tax was put on paper (the tax on knowledge), so that few of those who could read could buy. Moreover, at the end of last century, lest the dangerous and subversive ideas of the French Revolution should get into circulation in England, the Press was put under rigid censorship, the right of meeting and free speech was forbidden or subject to most stringent rules, so that neither spoken nor printed word of suspected dangerous tendency was permitted to pass into general currency. In fact, a tremendous, all-comprehensive, and consistent attempt was made, and for a generation successfully made, by the Tories who then controlled the Government, to keep back the invading tide of new ideas, social and political, for fear lest the power, privileges, or property of their order should be endangered.

The people had been made blind (as well as poor) like Samson, the better to toil without being dangerous, and their rulers were resolved as long as possible to keep them blind. They did it on system and of set purpose to keep them eternally their submissive slaves. They wished them to have just sufficient knowledge to be of use to them, and enough intelligence to be a sort of higher beast of burden, able to direct the labour of the lower, in addition to

rendering their own, and for this purpose the less book-knowledge the better, and especially of books which talked of the Rights of Man.

They argued that ignorance was necessary for obedience to the law, that education would make the lower orders discontented with their condition. And as to the latter, they were undoubtedly right, notwithstanding Archbishop Whately's doctrine intended to reassure the timid of his time that education only arouses discontent when limited to a few, but ceases to do so when universalised; in which it is forgotten that though universal education need not make people discontented with their work, it may very well make them discontented with their wages or even with the general condition of their class in the social scheme. As to the former position, that education would bring disobedience to the law, let it suffice to say there is another alternative. It may teach the people how to get disagreeable laws abolished and to have better laws made, and it is in this direction that it is much more likely to act in future—not, it must be allowed, a wholly satisfactory answer either to people with aroused apprehensions

It was not till after the Reform Act of 1832, which broke the predominant power of the landed interest in the House of Commons, and transferred the Government for the next fifty years to the Liberals (including the rising force of the Radicals) that any serious attempt was made to facilitate the education of the people, and it was not till after the second Reform Bill of 1867 that education was made national and compulsory. In 1870 it was felt, in face of the altered circumstances, with political pow

passing to the people, that a measure of education, national and universal, was necessary and politic; and Lord Sherbrooke (then Mr. Lowe) only expressed a very general feeling, in his well-known aphorism, 'We must educate our masters.' It was felt by both parties that political power could with more safety be entrusted to an educated than to an ignorant electorate, that universal education is the natural complement of universal or greatly-widened suffrage, and perhaps the best corrective of its apprehended dangers as a weapon for class advancement. As to this last general proposition, they may have reasoned wrongly, but however this may turn out, there was soon displayed under the Liberal lead as great an eagerness to hasten the work of national education, as there had before been anxiety to keep it back from the people. Many, no doubt, thought, and many still think, that with the minimum of education, actually given to the great majority, its effect will matter little one way or the other, and no doubt these would be right if we were to rest where we are, and aim no higher; but we shall not rest where we are. The Education Vote has risen to some three and a half millions, and Radical politicians say they will not rest till it is as large as the army estimate of some fifteen millions; and when we have reached that point we shall have a transforming force in our society the power of which it would be difficult to estimate too highly.

§ 3.

At present the working classes have got a certain amount of book education—not a very great amount nor of the highest quality—but still sufficient, when supplemented by their native good sense, and the education and discipline of life and of their special art, to enable them to comprehend the force of arguments addressed to their sense of interest as well as those addressed to their sense of justice or their general good sense; only it is to be remembered that their sense of their own interest is apt to be different from that taken by others for them, and their undoubted sense of justice and fair play is also likely to be discrepant from that of an opposite side in the social suit.

In addition to a certain amount of education sure to increase amongst them, they have got a certain amount of political power, lately increased, and sure, if they know their own interest, to increase yet more, and the inevitable effect of the better education and the increased political power will be to make them as a class—that is, to make the majority of them —discontented with their actual social condition and desirous of ameliorating it. It is not in human nature, especially it is not in class human nature, always ethically lower than individual human nature, with the generous elements blotted out, and its egoistical ones intensified, to be other. This is as certain as any proposition in the field of morals or society can well be, and it is amply borne out by all history, whether Greek, Roman, Mediæval, or Modern,

in which this is the central fact perpetually presented to us. The people, as the late Mr. W. Greg in his 'Warning of Cassandra' apprehends, will use their political power as far as they possibly can on behalf of their class advancement. They will combine together to return members to Parliament, who will promise to advocate their class claims and class interests. In time they will return only such. Already we see from the proceedings of their last Trades' Union Congress that this is the tendency of their political action. And are they to be blamed if such should prove to be their policy? Assuredly not. When for ages the classes and 'interests' above them pursued their own interest, when the highest and smallest class of all, through persistent pursuit of it carried over centuries, at length became possessed of all the land in the country; when the upper middle class, composed of great manufacturers and merchants and financiers, after a shorter but more energetic pursuit, has got all the capital of the country; while another large division of the same class has managed to keep possession under various excluding methods and tests of other extensive fields of acquisition; when, in short, every class and every section of every class has steadfastly pursued its collective interest, as against external interests (as well as the individual units their single interests, as against each other);—it is something too much for these same classes, who have profited so much by their own exclusively egoistic pursuit, to affect a virtuous indignation at the coarseness of the motives undisguisedly proclaimed by the class newly admitted to political power, and a class the largest by far of all, the poorest by far of all, and perhaps the most

important of all, if importance is to be at all measured by the great variety and extent of their work, and our complete and absolute dependence upon it in our modern complex civilisation. Because we could perhaps contrive to live without the country squire, the parson, perhaps even the lawyer and the capitalist, we could not live without the artisan, the engineer, the miner, the sailor, the agricultural labourer. It is to be borne in mind, however, that up to the present time, with large arrears of justice due, and of injustices to work off, they have asked no more from the Legislature than what is due to all—protection to life and limb and property, the former recklessly risked by their employers in hope of gain; the latter taken from them in the shape of too long working hours, for the excess of which they were not paid. They will probably ask more, but this is the extent of their demands as yet; and surely not unreasonable.

The superior classes are disposed to stigmatise the aspirations of the artisan class as very selfish, very wrong, if not highly presumptuous; and blinded by their own naïve selfishness, they have almost come sincerely to believe themselves. They are perhaps scarcely the most impartial judges as to this matter; and they must be reminded again of the universal proposition that all classes seek their own interest, that they themselves, up to the present hour, have pursued and protected their own interest without being much diverted therefrom by generous or noble or self-sacrificing sentiments, at least so far as the interests of the lower classes came into collision with them, and especially so far as the acquisition of property is concerned. And now the labouring

classes, through their spokesmen, may very well say:—'Why should we not use the newly acquired political power for the furtherance of the interests of our order; the power withheld from us so long, unjustly and forcibly, for fear we should do this very thing with it? You, both of you, the Whigs for fifty years, and the Tory part of you for the next fifty years, made use of the law and the power of the State controlled by you to defend your interest, or rather to extend your power and your property by your power; and our class, in the person of our fathers and forefathers, were the sufferers. Nay, we too still suffer the consequences of their defeat and depression by you; nevertheless, you are greatly shocked now that the political and social wheel has revolved and handed to us a measure of power, no thanks to you, but to our Liberal and Radical friends. You are shocked to think that we should dream of trying a little to raise our class condition, to seek for a somewhat fairer distribution of the wealth annually reproduced by our labour, at least in great part as you allow—even to the mild extent of distributing taxes and public burdens a little more to your shoulders, which can bear them better, and as some compensation for what we have lost and you have gained in the past. To a share of the land we could show a claim founded on justice, on reason, even on past holding, and on the practice and policy of contemporary nations. As to capital we cannot, it is true, make the like claims, but morally we have a case here too. Capital has been accumulated in mountain heaps within a century past, partly because the capitalist was allowed "freedom of industry,"

which meant underselling, long working hours, often minimum wages; partly because he had the monopoly of the foreign markets; and very much of his profits and capital was undoubtedly due to the employers' hands, who would have got it moreover, were it not that the law took the side of the employers, forbade combinations of labourers and artisans leaving their locality, thus placing the individual labourer at the employer's mercy. Those profits that our fathers should have got, but did not get, through the State throwing its force on the masters' side, was, together with the other portions, the parent of the present capital, a corresponding part of which morally belongs to the labouring classes, and it should be regarded as at interest ever since, for the present labouring classes, the natural representatives of those in the past.'

An argument like this might very well, and with much force, be addressed to the upper and middle classes, if it were necessary to bring them to reason. But without going the length of the socialist's programme, or as far as his abstract principle may go according to theoretic justice, is it not clear that the aspirations of the working classes as a whole, and even of the lowest but largest section of them, are natural and even just, according to the kind and standard of justice alone allowed in the discussion? Not justice, abstract or impracticable, but the rough justice which human affairs allows and requires. Their aspirations are even necessary as well as natural, and to be commended by all at least outside the classes opposed in interest, and assuredly by all disinterested lovers of their kind. And what right have we, what right especially have these classes above them

with conflicting interests, to expect that artisans and agricultural labourers in pursuit of class aims, allowed to be legitimate, will act on higher than average class ethics? Assuredly they are not less just or generous than the classes above them styled their betters, but the latter have no right whatever to expect that they will in future show a high or unusual sense of justice or generosity in their mutual class relations, since up to the present hour it has not been the fashion with their betters, with whom the power lay, to set them the better example.

§ 4.

The general aims of the labouring classes to raise their condition are then quite natural and inevitable. Are they also just and realisable? As to the latter we shall have much to say hereafter, as to their justice it depends upon their specific nature and extent; but so far as they merely aim at a general improvement in their social condition, by the attainment of more leisure and independence, or higher wages, whether by Trades' Union action, co-operative production, the action of the Legislature in their behalf, or by any other means not contrary to law, I believe that their aims are perfectly just and legitimate, as they are natural. I believe that at present they do not get their fair share of the wealth in the production of which their labour is so important and indispensable a factor. I believe, whatever be the figures brought forward by satisfied statisticians like Mr. Giffen and Professor Leone Levi, to prove that wages have increased from 30 to 40 per cent., while

the prices of all necessaries (save meat and house rent, and agricultural produce other than bread) have fallen, that still their share of the total national income is less than it should be according to any fair standard of justice; while their share of leisure, of the rational pleasures of life, and the blessings of civilisation and culture, is in a still less proportion. In maintaining that their share of material wealth is less than it should be, I share the opinions of the most eminent economists of the present and the past generation—of Mill, Cairnes, Thornton, and Leslie: and matters have not so far improved during the past forty years as to seriously qualify their common conclusion.

Of course the question, What is a just and fair share, lies at the bottom; and to this, it is said, there can be no answer but a practical one. A just wage is what is determined by contract between the employer and those seeking employment, whether that contract is made on the part of the latter by individuals in competition with each other or not. A just wage is what a man has agreed to take, what the master has agreed to give; and this is so whether the labourer acts singly, or in a body, where no competition or underbidding of each other is by agreement allowed. According to this the just wage of labour is as much as it can contrive to get from the purchaser; and, on his side, it is what he finds it his interest to give. And to this I reply, that there is a standard of justice applicable to the case other than the result of this egoistic contest between employers and employed; and there is a conceivably just division of the produce between capitalists and their labourers which it is to be feared is

considerably discrepant from that which now is in general the result. The present system results in unjust wages in the total, because wages are determined by the play of egoistic motives solely, and because in the bargaining the employer has an advantage which not even the action of Trades' Unions, though it may lessen, can ever neutralise.

That this is so will appear in the pages of this book, but before proceeding to our main task it is desirable to give a brief history of the Social Question since it was first raised in modern times, from which the actual origin of the existing issues will appear, as well as the stages that have led up to our present social and political situation.

CHAPTER III.

HISTORICAL.

§ 1.

OLD as human society as a real question dividing rich and poor, as a subject of speculation the question is at least as old as the days of Aristotle and Plato, the former of whom discusses it in the 'Politics,' the latter in the 'Republic,' in which the conditions of a healthy State and a happy society are analysed and set forth by Socrates. On the revival of learning and speculation in modern ages this question came up amongst the first, and besides being touched at by all the great thinkers, it is expressly treated by More in his famous 'Utopia,' by Campanella in his 'City of the Sun,' by Harrington in his 'Oceana,' even to some extent by Hobbes in his 'Leviathan,' and by Locke in his 'Civil Government.' Before the minds of all of them a conception of the 'perfect State' floated more or less vague, which they all tried in one way or other to shape forth and make explicit.

It was not, however, till the middle of the eighteenth century, when the fulness of time and of economical and social conditions was come, that a remarkable man of genius appeared, who suddenly

sprung the question in a new and militant form on the world, took it from the tranquil region of philosophical discussion, with a few of the learned or cultured for audience, and made it a question for the human race, the central question of modern society and politics, the question involving the future of human society and of civilisation itself.

This man was Rousseau, the 'morning star' of the Revolution, whose works, especially his discourse on the 'Origin of Inequality' and the 'Social Contract,' though not perhaps epoch-making in the region of speculation, have been something more in the sphere of practice, as a chief cause in preparing for the great convulsion of a generation later in France and Europe. The Revolution itself was mainly a premature attempt to solve the Social Problem, as it then presented itself in France, with the higher orders possessing the land, and privileges, and offices, and exemption from taxes; and, on the other side, a poor and oppressed people. It was, it is true, both political and social in its aims; it was yet more emphatically in its results a social revolution, and in its later phases social issues the most specific, as well as the most completely communistic, were being more and more pressed by revolutionists of the advanced type, like Robespierre and St. Just, the former of whom was wholly under the sway of Rousseau's ideas.[1] The Revolution, as Taine tells us, was one that turned mainly on the question of property, that is to say, it was chiefly social; and it was a revolution which had, for final and permanent result, a transfer and a more equal division and diffusion of landed property, as

[1] Taine, *La Révolution*, tome iii.

well as the abolition of the unjust privileges of the nobles, and their exemptions from taxes and public burdens. It was a social as well as a political revolution, but it was the social revolution whose effects were abiding; and of the three watchwords of the Revolution—liberty, equality, fraternity—one political, one social, one moral—it was only the social one, only equality that won a victory.

Moreover, it only triumphed to a limited extent; only so far as regarded landed, not other forms of property. The Revolution of 1848 aimed further. Much shorter and less dramatic in its course than the Great Revolution, it nevertheless precipitated new and more pronounced social issues, which the industrial and economic history of the intervening half-century had forced to the front.

In 1848 there was no urgent land question in France. That for some generations had been settled by the division of France amongst some five million proprietors; but the Social Question in its other branch, relating to labour and capital, was there—looming larger, more urgent, and more difficult of solution than ever; and issues scarce within the ken of the most advanced men of the first revolution were raised—issues challenging our titles to all forms of property, land, goods, money, credit, involving the whole structure of society, and going down to the roots of all our moral theories, and even our theories of life.

The question what makes this thing *mine* (especially if I am a manufacturer, a financier, or a rentier) has been forced upon the attention of society for reconsideration and for a new answer for the

first time since the days of the Roman jurists, and the principles discoverable in the Institutes of Justinian or his Commentators are found to be somewhat away from the points raised by Proudhon, Louis Blanc, and Karl Marx. Indeed, some of the questions raised are calculated to fill even cheery politicians with uneasiness, and the rich man, especially in France, almost with dismay.

The Revolution of 1848, which soon assumed European dimensions, was in France marked in its course by a terrible social insurrection, the most terrible that ever burst out, even in the fiery and warlike city of Paris; the first armed insurrection of the workmen as a class in modern times. The insurrection, known as the June rising, was suppressed finally by the military, and the streets of Paris ran red with the blood of the artisans. The second Republic, like the first, passed into a dictatorship, and finally into the Empire, through the *bourgeois* dread of anarchy and renewed civil war. The Republic fell, according to the late Prime Minister (M. Jules Ferry), because it attempted to solve, by State action, the problem of poverty, which can only be dealt with by freedom of industry, education, and the free initiative of individuals.

After twenty years of Cæsarism there was a new revolution in France (that of September 4, 1870), and the Republic was proclaimed for the third time. Then followed a new social, or rather this time a socialist insurrection—the frenzied insurrection of the Commune—in March 1871, prompted by the economic and socialist theories of Karl Marx and the International Society. That insurrection will be

memorable in history, and though also suppressed in a profusion of blood, may now be pronounced successful in the interests of the working classes, because it aroused, as by an alarm bell, not merely politicians, but the middle and upper classes generally, to a realisation of the fact that there was a social problem of the first magnitude and of very urgent nature demanding solution. It revealed also the desperate lengths to which an important class, considering itself aggrieved, may be driven, and the deep antipathy, not confined to France, of the working classes against the existing social and industrial organisation. Finally, it summoned economists and social thinkers all over Europe to a consideration of the Social Problem, and sent them to their studies to re-examine the postulates and conclusions of their science, which had omitted to include this final force of insurrection as a factor in the solution of the Labour Question.

The result has been both a modification of economic theories and a more careful qualification of the economic postulates, with a greatly diminished confidence in the absoluteness and general applicability of the supposed natural laws of the science. In particular, the value of political power in the hands of the people, as a means of effecting a distribution of wealth more in favour of labour, began to be perceived, and since then it is in this direction chiefly that they have been directing their efforts.

§ 2.

The economic writings of Adam Smith, Malthus' 'Essay on Population,' a host of political and social speculations, the products of the great ferment of

ideas raised by the French Revolution; Burke's 'Reflections' on the Revolution on one side, and, on the other, Godwin's 'Political Justice' and Paine's 'Rights of Man,' all served to raise the Social Question in England, though it was not known by such name, and though other issues, chiefly political, were mixed with it. The controversy raised in England by the French Revolution was rather the wide controversy between the nation and its rulers, involving the question of civil liberty, with the social issues kept in the background, because the governing classes, quickly taking the alarm, as a protection against the subversive French principles tried to suppress the political rights of the people, lest they should use them to raise the social issues. After a dark and trying time, which lasted nearly a whole generation, the nation recovered its political liberties. Then a reforming tide came in. The suffrage was extended in 1832, abuses were swept away, more and more reforms were called for, till at length the more distinctly social issues, touching the rights of property and the distribution of wealth, were reached and raised. And it is these issues, containing the essence and kernel of the Social Problem, that our age has to deal with.

Of the Social Question itself, one branch, and that the most important and difficult—that is, the capital and labour branch—did not reach the acute stage which makes it pressing, and brings it into the sphere of practice, till after the great industrial revolution, which began near the close of the last century, had accomplished itself. It was only after this revolution—the essence of which was the concentration of

capital in large masses, and of men, women, and children in great numbers in factories or workshops or mines—that some of its evil social consequences, direct and prospective, began to be perceived: the masters' reckless disregard of the lives or health or comfort of their hands; the long and monotonous hours of work; the wages often low and always uncertain from fluctuating markets; the infant and married women's labour; the entire physique of the nation sapped to make manufacturers' fortunes;—all these, together with other evils easily deducible, given reckless and unfettered egoism with the command of capital on the one side, and, on the other, men and women dependent on the capitalist employer for bread.

The extreme gravity of the new industrial situation by degrees forced itself upon philanthropists, social reformers, and philosophers. In the year 1839 there was published in France a remarkable book by Louis Blanc, entitled the 'Organisation du Travail,' called forth by the author's meditation on the evils of the new *régime*, in which an organisation of industry on the principles of co-operation is recommended as the sole means of escaping the evils of the actual system. Almost contemporaneously Carlyle, the most original mind in England, was brooding over the same problem, and the fruit of his reflections was given to the world, first in his 'Chartism,' published in 1839, and more fully, and in words of prophetic insight and fire, in his 'Past and Present,' published in 1843.

In this work Carlyle, with the insight of genius, gets to the very bowels and quintessence of the

question; and, with prophetic divination, he sees that it contains the whole future of society, that it is the veritable sphinx-riddle which, not to solve, is to be destroyed. He sees the question in all its integrity and in all its essence, and not after the manner of the economists of his time, on one side merely, if at all. The economists irritated him because he considered them purblind pedants, incapable of taking in the dimensions of the subject, and because he believed that the real stress of the battle turned round the postulates they had assumed—the economic postulate, that men of course seek wealth by the readiest roads not forbidden by law; and the political postulate that hangs with it, that Governments should leave them alone in their pursuit: above all, that they should not interfere between man and man in the matter of contract, but merely keep in the background, ready to enforce a contract made. Against this doctrine of *laissez-faire*, the 'dismal science,' and its professors, he takes up his parable once and again, because they stood in the way of the only possible solution of the question as conceived by him.

The solution of the question, he perceives, will be difficult. Addressing the master workers, he says: 'God knows the task will be hard; but no noble task was ever easy. This task will wear away your lives and the lives of your sons and grandsons; but for what purpose, if not for tasks like this, were lives given to men?' He hopes that the masters will themselves be able to solve the part of the problem that concerns themselves. In fact, he believes that they will be able; and, in an access of admiration

(after a violent attack on them for their 'mammonism' and their morality of the Buccaneers, and their 'Chacktaw scalps' hung on their girdles), in view of their dauntless energy and past success in conquering cotton and covering backs and shoulders, and a multitude of other mighty deeds, he exclaims, 'I will bet on you once more!' Only, continuing his figures, he warns them they must give up reckoning 'their thousand-pound scalps,' captured in the competitive business-battle, and cease to practise the morality of the Buccaneer, akin in the matter of acquisition to that of the pirate, but which the accepted ethics of business sanctions.

He sees that the question is twin-headed, and he addresses even more serious words of admonition to the unworking aristocracy, the landowners of England, than to the working aristocracy, as he calls the capitalists who employ and direct labour: 'Again and again, what shall we say of the idle aristocracy, the owners of the soil of England, and as an agreeable amusement (if the purchase-money and other conveniences serve) dilettanteing in Parliament and Quarter Sessions for England? We will say mournfully, in the presence of heaven and earth, that we stand speechless, stupent, and know not what to say! That a class of men, entitled to live sumptuously on the marrow of the earth, permitted simply—nay, entreated, and, as yet, entreated in vain—to do nothing at all in return, was never heretofore seen on the face of this planet; that such a class is transitory, exceptional, and, unless Nature's laws fall dead, cannot continue; that it has continued now a moderate while, has for the last fifty years been

rapidly attaining its state of perfection; that it will have to find its duties and do them, or else that it must and will cease to be seen on the face of this planet, which is a working one, and not an idle one.'

He sees the moral causes of our social disorders, the moral chaos in which we live, the cause (and he might have added the consequence in part) of the social disorders and 'general social gangrene working to inward inmost death.' His remedies are more open to objections. They are first—a Government of the best and wisest, preferably in the hands of a single capable ruler, and extending its authority over a larger area of life; a reversal of the 'let alone' policy of the economists, and a consequent diminution of the sphere of free contracts, with the advantage it gives to the vulturous and vulpine species, that is, to the greedy and grasping, the cunning and unscrupulous persons—in fact, something near what is now called State Socialism, but with the State controlled by a single absolute ruler instead of shifting Parliamentary majorities, without any continued or connected social policy, and where, in fact, one party may reverse the policy of its predecessor. Secondly—an aristocracy of the fittest, a real aristocracy, the best in the nation, riddled and sifted from the total mass, to second the hand of the imperial Cæsar; our existing aristocracy to discharge real functions instead of 'going idle gracefully,' and so to pass peacefully by gentle euthanasia, instead of by summary extinction. Thirdly—and with respect to the Labour Question, permanence of relation between employers and their hands; the masters to rule and regiment the workers, the latter to furnish faithful

service; labour made a chivalry under a kind of revived feudality, with protection and rule on the one side, and good and loyal labour on the other; with mutual human love as bond, instead of cash payment for hours of work, with power on either side of a summary cancelling of the contract. And last, and chief of all, a total change in our way of life and in our theories of life—in fact, a complete moral regeneration, and a general one, embracing all orders, from the dilettante do-nothing nobleman and mammon-serving, money-hunting capitalist, down to his mutinous and 'gin-vanquished' hand—a regeneration which for very many will be a 'most agonising divorce' from the cants and shams, inanities and quackeries in which they lived and trusted.

Such is his programme and scheme of salvation. Other than this, short of this, there is no hope for human society. And if any object that the remedies are of the heroic or impossible kind, Carlyle will admit that they are hard, nay, extremely difficult of application; but he argues they are not impossible. With complicated and deep disorders the remedies must be radical, they must be difficult of application where a whole nation has gone wrong altogether; but if you dismiss them as impracticable or try easier remedies, or haply dismiss all remedies and trust to the social *vis medicatrix* and *laissez-faire*, he sees only the abyss before society. It is merely a question of time, and in his later days, when his hopes of improvement began to wane, he sometimes seemed to think that the sooner the cataclysm—social or cosmical—came the better. Rather than the existing quack and vulturous world, he would prefer

the serene blue to fill up the vacancy left by the earth. 'It would,' he thinks, 'be much handsomer.'

His words were not without effect. They sank in the mind of some eminent men like Kingsley and Maurice, and influenced their Christian socialistic theories; but their effect in the sphere of practice or politics was not considerable at the time. In truth, it required a considerable time before the great significance of the 'Past and Present' could be perceived, so new a species of literature was it for the English people; and it is only now, looking back, that we are in a position to see the depth and accuracy of his social diagnosis, whatever we may think of his prophecies or prescriptions.

Nor let it be objected that his prophecies have not been fulfilled. For they were conditional.—'Unless ye change, ye will perish;' and in some respects our State policy has been turned in the directions indicated by him. But besides, forty years are a short time in the life of a nation, and the abyss he foresaw may still lie before us, if the change of moral regimen prescribed by him be set at nought.

§ 3.

While Carlyle was writing his 'Chartism' and 'Past and Present,' two great agitations convulsed the country, each having important bearings on the history of the Social Question in England. One of these was the Anti-Corn-Law agitation, having for object the abolition of duties on imported corn, by which, in effect, the bread of the poor was taxed to

keep up landlords' rents; the other was the Chartist agitation for more Radical political reform. The first agitation was successful: the tax on bread was abolished in 1846, and free trade was initiated. The Chartist agitation, too, was to a very considerable degree successful, though at its close it seemed a failure. It was successful, because an important and specific part of the Chartist programme has been carried, and the most essential part of the remainder would seem now to be only a matter of time—probably no long time.

As early as 1838 the Chartist leaders had seized the sound idea, that to raise the working classes socially it was necessary, before all else, that they should have their legitimate share of political power, from which they were almost wholly excluded by a restricted suffrage, which the Reform Act of 1832 had not attempted to widen. In effect, the Reform Act had merely admitted the middle classes to political power, and it was now necessary that the people should have their share. They must have power able to make itself felt directly in Parliament. They must be able to vote for a representative, if possible to get one who will support their special class interests; and they must have the power, within a short time, of withdrawing their mandate to him, of revoking their choice in case he betrays the trust reposed in him. Hence they drew up their six-points charter, including, in addition to vote by ballot, equal electoral districts, and abolition of the property qualification for members, the three very significant ones of universal suffrage, paid members, and annual parliaments —the object of the first being to gather the true will

of the whole people; of the second, to break the monopoly of the House of Commons by the rich; and of the third, to enable them to call their representatives to a quicker account of their stewardship.

What was the cause of the griefs of the working classes? In great measure, according to the Chartist leaders, because their masters made the laws. It was necessary, then, that the representatives of the workers who enter Parliament should prevent legislation adverse to the interests of the labouring classes, and, if possible, effect legislation favourable to their interests. The direct power and will of the people must be felt in Parliament, their special interests must be represented, in order to contend with the frequently hostile interests of other classes, upper and middle, but especially of the rich middle classes who are the employers of labour; otherwise, the interests of labour will be sacrificed in future, as they have been in the past. Moreover, material fortune follows political ascendency. We know it. Have we not seen it in our own history, both in the case of the landowners who ruled the country from the Revolution of 1688 to the Reform Bill? and again, in the mill-owners, and mine-owners, and brewers, and financiers who came into power since the Reform Bill? Yes; this is our right course. The battle of labour and the social future of the working class must be fought at the polling-booth and in the House of Commons, where our true representative, paid for his labour, will plead our cause.

Such was the idea of the leaders of the movement, as well as of a few advanced Radicals in Parliament. And who shall say they were not right, or that their

aims were either unjust or unwise? If society is to be for ever a war of all the egoisms, a conflict of all the classes, a jostle of all the interests, why should not all the classes be represented in the real arena of conflict, in that place where the laws affecting all classes and collective interests are made? Is it not evident that otherwise a gross injustice is done to the unrepresented class? and what if this includes the largest and most important class of all, embracing no less than the whole working manhood of Great Britain and Ireland? This class is to have no distinctive voice; can make no protest through its own special spokesmen, when its most vital interests are being legislated about. It must get what it can by the other classes, the landlords and capitalists, out-trumping each other in the political game as now played. In the struggle of all the egoisms, the biggest 'ego' is to have no direct representative to speak for it, just where his words might be most potent for good upon its destiny. If we are ever to come to something better than this war of all the interests; if we are ever to come to a harmonious and happy society, where justice will reign without compulsion, it will be necessary, as a means to get there, that each class should be able to assert itself; and if we are to remain ever, as now, a society in a state of conflict it is only fair that each class should be placed in an equally advantageous position, to get such rough justice as alone is possible in such a social state.

So far as to the justice of the claim. As to its policy, from the point of view of labour, there can be no question. For the Radical social democrat reflects and reasons thus: 'Inside Parliament we may hope,

through our representatives, not only to repeal bad laws adverse to our interest, but to have good laws made in our favour, and that with the whole authority of the State, including the soldier's bayonet and the policeman's bâton on our side; outside Parliament we can do nothing. If we should oppose bad laws made by our masters we are rebels and revolutionists, and the bayonets and bâtons of our countrymen will be turned against us, without scruple or mercy, as it has been often seen. Outside, we could do nothing for our class, without running the great hazards of insurrection, to which, moreover, our people being law-abiding from habit and instinct are opposed, unless much provoked; while inside Parliament, if we and our friends were sufficiently numerous or influential, in would be those opposed to us, on whom would fall the onus of choice between submission or appeal to force; so that every way regarded, the suffrage will serve us better than the sword.'

The idea of the Chartist leaders was just, was politic, and looked far ahead. Has it been realised? Only in part, after forty years of progress, social and political. Even the programme has not yet been carried out, and beyond the programme lie the objects towards which it was merely the means—the elevation of the working classes, by giving them a stronger and more direct influence in the government of the nation of which they form so important a part. But what are forty years in the history of a nation? But little truly, though long for the individuals looking for the promised land, who were doomed to die the while in the social wilderness. To-day, however, we are advancing nearer and nearer to the goal foreseen, and

there are many signs that our march thitherwards will be at a greatly accelerated pace during the coming forty years.

But, now, what can universal suffrage do for the labouring many? ask some in scorn. And truly at first sight it does seem a strange and unlikely road to start upon in search of social salvation. Nevertheless, political enfranchisement is the indispensable first step on the way to social justice, and thence to a sounder and happier society. So far the road is plain and clear; it is afterwards that the puzzling cross roads appear, with no sure finger-post to point the course. Household or universal suffrage alone will never get us far. Most true. But suppose it supplemented by just and enlightened rulers got by means of it—men indifferent to wealth, and of higher ambition than the vulgar sort, anxious to bring in justice and to make their sick society sound—would not this be something considerable? Would it not be the very desideratum of the wise, from Plato to Carlyle? Aye, truly, urges the latter. But your wise man you will never catch in the net of universal suffrage; your millions of the suffrage cannot find the wise man, because they do not know him when they see him, and still more, because if they did know him they would not have him. And wherefore? Because they are mostly foolish themselves, and foolish people can neither recognise nor reverence wisdom. And here, indeed, a difficulty is touched, a weakness in the democratic principle is shown; but, nevertheless, the difficulty is not insurmountable nor the objection unanswerable. The people, at all events, will be able to find out the capable man who, with average political honesty, will represent their inte-

rests. They themselves, with the better education they will receive in the coming time, will gradually learn better to perceive their true interests, and how they may best be promoted. Perhaps even in time men's egoism will become less exigent, and the antagonism of interests between class and class less decided, so that able men, who were also just, would get a better chance to make both the people and their condition better still. At the lowest computation the suffrage will enable them to remove their class grievances; it will be their fault and folly if it does not serve them for further and better purposes.

§ 4.

The period of the Chartist agitation was a terrible time for the working classes, more especially for the operatives in the manufacturing districts in the North of England and in Scotland, who were constantly out of work through depression of trade. It was perhaps the nadir of their fortunes; and what between their actual miseries and the economic theories of Ricardo and Malthus, which proved that they must be always close on misery by natural law, unless they could restrain their numbers by violating another natural law, their case seemed well-nigh hopeless. No wonder, then, that some amongst the Chartist leaders should be driven to think of extreme measures to press their programme on the Government; and no wonder that hungry and desperate men should be ready to follow their desperate counsel.

1848—the year of crisis and of universal explosion—came, in which the spirit of revolution broke forth,

like the eruption of simultaneous volcanoes, in Paris, Berlin, and nearly every European capital, London excepted. Even London was on the brink of revolution on the memorable 10th of April, the day on which the Chartists were to march in procession to lay their petition before the House of Commons. The least accident might have precipitated a great catastrophe. Happily, prudent counsels prevailed, the day and the danger passed without violence, and London was spared the street-barricades and the discharges of grape-shot with which Paris, Vienna, and Berlin were familiarised.

The crisis past, reaction everywhere followed. Society was 'saved' in France, and reform was postponed in England for twenty years, till, at length, when the political cycle was once more accomplished, the reforming spirit again set in, and has lasted, with little interruption, to our time; in fact, in later years it has been augmenting in volume and force, and we are now afloat on a full tide of State socialism, fraught with great consequences for the people of these countries.

§ 5.

In 1848, the year of revolutions, there appeared opportunely a work destined to have no small influence on the future of labour and the after-discussion of the Social Question in England, as in most civilised countries. The book was the 'Principles of Political Economy,' by John Stuart Mill, the early friend and admirer of Carlyle, one of the noblest characters and highest intellects that England has produced, a man

pre-eminently fitted to treat the subject—a just man, with generous and wide sympathies, which embraced the cause of labour and the poor; not perhaps what is called a man of genius, like Carlyle, but more capable of treating the question on all its sides, in proportion to their degrees of importance; in short, one of those rare combinations of intellectual and moral force that Heaven in its bounty sends to men in their hour of need.

Assuming the institution of private property as for a considerable time likely to last, and assuming also the normal egoistic nature of man (though by no means in love with it), he seeks to determine the laws of the production and distribution of wealth that follow—in particular, the laws of wages, of profits, and of rents, which assign their respective shares to the three classes amongst whom the annual produce of the country, or its price, is divided in the first instance. He finds that the law of wages, as regards the great mass of labourers, is that laid down by Ricardo, namely, the smallest amount that will suffice to support a family of average numbers, in accordance with their customary standard of living, only that he qualifies Ricardo's doctrine by affirming that the labourers may be pressed down to a lower standard, through want of due restraint on the multiplication of their number. He argues, with Ricardo, that profits depend on wages, but qualifies again by substituting for wages, cost of labour, the terms not being synonymous, since wages may be low and yet costly, high and not costly, through the varying efficiency of the labour. The qualification is considerable, since it would allow the English labourer to receive double the wages of

the Russian, with equal profits to the employer, because the former can do a double quantity in the day's work; in fact, it enables Trades' Unions to press on profits for the whole results of superior efficiency, and so, in effect, to escape altogether from Ricardo's minimum, a matter which Mill perhaps did not sufficiently think out. He accepts Ricardo's doctrine of rent, drawing from it the conclusion that there is in a country circumstanced like England a tendency for rents to increase, from the increase of population, which increases the price of corn, and makes it possible to extend the margin of profitable cultivation. This conclusion would have been true and significant were there no lands in America from which to draw a supply of corn without increase of price. As it is, the tendency has not been borne out, and the price of corn is probably less to-day than fifty years ago—the result being that rents in the rural regions are not increasing. It is otherwise in or near the towns, where the value of land for letting and building purposes has enormously increased; and it is only by adding together the ground rents and agricultural rents that we can safely say that the landlord's rental has much increased since the repeal of the corn laws, though they have enormously increased within the past century.

He accepts the Malthusian doctrine of population, in fact, makes it the central position round which the whole social problem turns. He refutes, in detail, the various projects for improving the labourers' condition, which evade or ignore the theory of Malthus. He decides that there is no hope for the labouring classes, either under the existing *régime* of employer and employed or under Communism or any half-way

system, unless they will put sufficient restraint on their numbers, by abstaining from early marriages or by not having large families when they do marry. And he seems to think that all that is needed for this desirable result is a diffused opinion that it is socially necessary—which opinion, if sufficiently strong and general, may be pressed upon dissenters by legal penalties. In fact, having a large family must come to be looked upon first as immoral, and finally, as legally punishable. He goes so far as to say that no improvements in institutions or removal of abuses will avail the working classes unless their numbers be kept down, and unless they set themselves to keep them down. We now have a sufficient population. If it does not increase we can manage to get on. In fact, there is ground for much hope, through improvements in civilisation, in the arts, in inventions, and in our institutions. If it does increase all will be in vain. Nothing can be done to raise the condition of the many. We shall have a larger, never a better nor a happier population. Their condition, in fact, will grow worse. The landlords will get an ever larger fraction of the total wealth. The labourers will find it ever harder to live, from the rising price of food and the greater competition amongst each other for work, or for a share of the capital which as wages sets their work in motion.

Such are his conclusions, supposing the present *régime* of employers and employed with divided interests, to last. But he afterwards discovers a hope for the labouring classes (apparently not in his thoughts when writing the earlier portions of the book) in the principle of associated labour, whether in the form of

profit-sharing with the employers, or in that of association of workers owning the capital themselves without an employer; in which last case the profits of the employer, or at least as much profits as remain after paying the salary of a manager, are brought to reinforce wages. The two forms will, he thinks, probably exist contemporaneously; but the latter, commonly called co-operative production, will finally prevail—a transformation of industry which, he thinks, 'would be the nearest approach to social justice and the most beneficial ordering of industrial affairs for the universal good which it is possible at present to foresee.'

§ 6.

The influence of the book was very great, not only in England, but in the United States and on the Continent. In England, indeed, Mill may almost be said to have founded a school of which the chief disciples were Professor Cairnes and Professor Fawcett, and his book has been regarded, from its first appearance until lately, as the most authoritative exposition of economic science; while even yet, though in diminished esteem, it still maintains its ground as the best text-book in our colleges and universities.

Defects in the book there are, and controvertible positions not a few. At present, however, I am chiefly concerned to note its contribution towards the Social Question of our century, and the important part it has played in the history of that question since its first publication.

The Social Question with Mill was mainly a question of a better distribution of wealth, and that chiefly

as it affects the labouring classes. He did not, as we have just seen, regard the present *régime* of employer and employed as likely to last, and he did not wish it to last; but while it lasted he considered the solution, numbers being duly restrained, to lie in profit-sharing, and when the last employer had disappeared, or lent his capital and become a 'rentier,' of labour in co-operative production.

His solution was adopted by his disciples, Cairnes and Fawcett, as also by Mr. Thornton, in his work on 'Labour,' while it would appear also to have had some influence in Germany, co-operative production being the remedy of Lassalle for the antagonism between capital and labour. Nevertheless, Mill's prophecy as regards co-operation has not as yet been fulfilled, nor does it seem at all likely to be fulfilled within the limits of a generation or two. For, in fact, in addition to the difficulties in the way of commanding sufficient capital, there are difficulties of a moral and social kind less easily removable. Notwithstanding, it would be rash to say the movement will not conquer eventually. But it will be slow; and it will be exceedingly slow, unless the State will one day come to the assistance of the associations, a course which our economists denounce. The other prophecy, relative to profit-sharing, has a more hopeful future before it, partly because Trades' Union pressure has taught employers, first, that a rise of wages can frequently be recovered from the public in enhanced prices, which serve to keep away competitors as well; and, secondly, that by sharing profits, above a certain margin, voluntarily, they may not only live in harmony with their hands, but may,

by more efficient and energetic work and economy of materials, more than compensate themselves.

Another idea of Mill's work has borne fruit. It is shown that rent tends to rise with the increase of population and general progress, without expense or effort on the landlord's part. Both agricultural rents and ground rents, he says, tend to increase in this way, and he recommends, as a measure of justice, that 'future unearned increments,' as he terms the increases which the landlord receives but did nothing to bring about, should go to the State for the general benefit, especially increases in or near the large towns. He further recommends that the existing merely nominal land tax of a million pounds odd should be increased, because, first, it is not, properly speaking, a land tax at all, but a small equivalent reserved by the State in lieu of former feudal dues and duties, to which the tenure of the land was subject. In strictness the land tax is itself a rent due to the State; the self-styled landlords are not truly landlords, and never were such, but only tenants under the State's ownership, and tenants who, in time past, refused to pay or unduly lowered their rent. And justice now requires that their rent be raised; in other words, that additional taxation be put upon the land.

The two last ideas Mr. Henry George, in his work called 'Progress and Poverty,' develops so much farther, that he would not merely tax the 'unearned increments,' but take from the landlord the whole, both agricultural and ground rents. And this he would do by increasing the land tax to the exact amount of the landlord's rent. He would tax the land precisely up to the amount of rents received, the amount to go to

the State, which could then relieve the imperial taxpayer to an equivalent extent. The landlords need not be compensated, because, according to Mr. George, the land is not properly theirs, but belongs to the State. They might, however, be permitted to retain their private domains or their home farms, together with their country seats.

Mr. A. Russel Wallace would deal more considerately with the landlords, though he is agreed with Mr. George that the land belongs properly to the State, and that its ownership must be resumed by the State for the benefit of all. In his 'Land Nationalisation' he proposes an elaborate scheme of compensation, by which it would appear, though his argument is somewhat obscure and involved, that while the nation would gain, the landlords need not lose anything. But both he and Mr. George are at one that land nationalisation is necessary, and both contend that their schemes are just.

The notion that the land of any country belongs to the whole people of that country is not new—for we have it in Mr. Herbert Spencer's 'Social Statics' (1851). Carlyle also lays it down in the 'Past and Present' (1843). The same doctrine substantially appears in Mill's 'Political Economy' (1848), which justifies private property in land only on grounds of general expediency. However, both Spencer and Mill think that the landlords would deserve compensation, in case they should be expropriated.

The notion of land nationalisation has, however, been thrown into circulation chiefly by Mr. George and Mr. Wallace, and it is gaining adherents. Besides the moderate party amongst the land nationalisers,

who recognise the validity of existing titles, and the justice of granting compensation on the expropriation of the landlords, there is an extreme party who, chiefly following Mr. George, argue that all private property in land is unjust, even though bought with the holder's own money, because the appropriation of all the land by any class, short of the whole nation, necessarily shuts out new-comers from one of the great means of living. The land, according to this view, belongs to all, as much as the common air above it, or the water that runs through it; no one made the land, more than the air or the water; and a landlord is as absurd in the eye of reason and justice as an air-lord, or a water-lord, or a sea-lord. Every one born has a vested right, and becomes a co-proprietor in the land the day he (or she) is born. There is a potential piece of land for every one; and under Mr. George's scheme, if a man does not demand his share he still gets the benefit of it—perhaps, we should say, in some respects only—through the remission of his taxation, which is paid by the occupying tenants to the State in the shape of rent or land tax.

Without, however, here examining the theory further, it is evident that this line of argument will logically carry us much further, and accordingly, the Social Democratic Federation asks also for the nationalisation of capital. For how came the capital into being? It was no more created by the capitalists than the land was made or had its properties conferred by landlords. Perhaps even less. Capital is the product of labour and science, and the accumulated processes of the ages, including the capitalist's labour and skill no doubt. It has been made by labour, living and dead,

but by living labour in great part, and of this the part due to the working classes directly is enormously out of proportion to that due to the capitalists, who manage, nevertheless, to get the lion's share in the division of the product. Capital must then be nationalised, as well as land, and both are to be worked in the interests of labour, the third instrument of production, and that which alone can make the other two fruitful. Hitherto land and capital have made labour, and the labour of the many, their servant. It is the reverse of this that is just and necessary for the many, in order to enjoy the fruit of their labour, to maintain their independence and sense of dignity, and to secure their share in the blessings of civilisation hitherto chiefly intercepted by rich landlords and capitalists.

The great capitalist has thus received his warning and notice to quit, as well as the landlord. Together with these, other parasites of labour, merchants that have seized the product through their capital, and put on a large price which they must have before they sell it; bankers and financiers, who are sleeping partners in the profits of the capitalists; fundholders, bondholders, even farmers, and many others, are on the proscribed list, and must finally be abolished.

Above all, capital must be at the disposal of the labourers, and not the labourers, as heretofore, the slaves of capital. And how is this to be accomplished? How is capital to be nationalised? How is capital to come to all? Not in the gradual way pointed out by Mill, according to which co-operative labourers save the starting capital out of present wages, and by successful competition with the great individual producer,

ever increase it by their increased power of saving from their own profits, till at last the complete and peaceful victory of co-operative production is assured; while the capitalist, accepting his defeat with a good grace, at last lends his capital at interest to the associations of labour. Not by any means in this way of peaceful evolution, but by confiscating the property of the landowner, the fundholder, and perhaps the property of the capitalist himself.

There are, as usual, two parties, one that would seek its ends by slow constitutional means, the other by a violent revolution. According to the latter, the rich have had their wealth and its advantages long enough. They got it unjustly—both the landlords and the capitalists. Why should the poor and the labouring classes wait? Why not get at once, by the readiest means, and indeed the only means, what of right belongs to them, the land and capital? Why enter into a long and fruitless contest with rich men, in which they will always have an advantage over labourers, whether in Parliament or in competitive production? The capitalist, they say, will always be too much for you, will beat you in the unequal competition, unless you have ample capital, which he will never allow you to get so long as he sits in Parliament. He will undersell you, as he now does other rivals, kill your early infant efforts at co-operative production, which he can easily do if he puts forth all his strength. He will beat you in business, defeat you in Parliament, even with half the House pledged to support your interest. You will never gain your rights by the suffrage. By revolution and the sword

alone are they to be gained—the one road to sure and long-enduring victories.

Such is a brief history of the Social Question in England, and such are the various views held as to the best means of solving our social problem, of raising the condition of the lower classes, and generally of effecting a better distribution of wealth. And such are the several solutions offered, some of them open to very serious objections. It would be premature here to offer criticisms on the more important views, which can be given more conveniently hereafter. My object so far has been to show how the chief issues have been naturally raised, and to give the reader by anticipation a general view of the question, the several parts of which and aspects of which we are now to take up in detail. And as the question is so much concerned with the securing for the labouring classes a just share of the wealth which is partly produced by them; it will be first necessary to ascertain what is the present actual distribution of wealth, upon what principles it is determined, and how far it conforms to our ideas of justice.

For there are some who think the existing distribution the best possible, and one that by no device could be improved upon; according to which there would be no problem to solve and nothing to do but leave things to settle themselves, a view which is not mine, but which, amongst others, will have to be considered in the following pages. And I must here notify to the reader that in the two chapters immediately following I shall make demands on his attention, possibly on his patience, but which, if he will kindly grant, he will be repaid by getting a clear

comprehension of the great Capital and Labour controversy, and of the main issues raised by it, some of them closely touching other interests than those of employers and employed. These parts excepted, where the economical issues, though not numerous, are complicated, the reader will find the remainder of the work comparatively easy of comprehension.

BOOK II

THE EXISTING DISTRIBUTION OF WEALTH AND OF WORK

CHAPTER I.

ON THE GENERAL WAGES OF LABOUR.

§ 1.

UNDER our existing organisation of labour—our present system of employer and employed—a comparative few find themselves in possession of all the capital, which is one great condition of further production of wealth, while the many have only their arms and their art—that is, their strength and their acquired skill, dexterity, and knowledge in their special craft or calling, whether of high or low order. The former, called nowadays capitalists (though the word has also a wider meaning), need the services of the latter, called generally labourers, to work for them in mine, or factory, or foundry, or workshop, because without the assistance of labour they can in general do nothing with their capital. They can do nothing with it, save consume it in enjoyment, or lend it to others, who in their turn would have only these same alternatives, without the aid of labour. Labour, then, directly or finally, is absolutely essential to the capitalist in order to make his capital productive, in order that he may get those profits from it, which are his final object in engaging in production or business generally. It is,

however, to be added, that though labour is always necessary to fructify producers' capital, it is not necessarily human labour that is required. The labour of modern machinery may sometimes suit his purpose better than human labour, and, in fact, if these machines could be sufficiently cunningly constructed to look after themselves and tend themselves, if they could all be 'self-minders,' like some of them, or 'automatic and self-acting,' in all directions, as they now are in parts of machines, they might in great part, or conceivably altogether, displace human labour. This, however, is a consummation from which, unpleasant as it looks for employed labour, though there is a tendency towards it,[1] we are still a very great way off. Accordingly it is still true, as said above, that human labour, mainly of the manual sort, and an enormous amount of it, is necessary to the capitalists for the attainment of their ends. In fact, great as is the quantity of labour now done by our never-ceasing and most potent machinery, there is an increasing amount of human labour still required by capitalists, because the machinery which here saves and supplants human labour creates a greater demand for it in other directions.

But if the capitalist requires the labourer, the labourer, on the other hand, stands in no less need of the capitalist—or at least of capital, and of the management either of the capitalist or his representative. The labourer will always require capital and a directing head; at present, for the most part, he requires an individual who unites in himself the double function of capitalist or provider of capital

[1] See Cairnes' *Leading Principles of Political Economy*, pp. 207, 340.

and directing head. It was not always so. It was not so a hundred years ago, and it may not be so fifty years hence; but it is so now, for the most part, because production on the great scale, implying large capital and the great capitalist, is now universal and necessary, and necessary because more economical. It is less costly, the products are more cheaply produced, and whoever does not or cannot adopt it is at a disadvantage, and will be undersold by competitors.

If the labourers had the capital they could start production on the large scale themselves. They could hire an able manager, dispense with the capitalist employer, and divide amongst themselves all the profits remaining that otherwise would have gone into the employer's pocket. Meantime, as they have not got the necessary amount of capital, cannot easily save it or borrow it to the necessary extent, perhaps also because they are not, in other respects, ready to try production extensively on their own account, they are compelled to offer their services to whoever has the capital, which in England and in most civilised countries is usually the great individual capitalist, though it is now not unfrequently a company composed of many individuals, who jointly own the capital. For the present we are chiefly concerned with the individual capitalist, though most of our remarks will apply equally to the collective, or many-headed, capitalist—known as 'The Company.'

What shall be the terms of the bargain between them? The capitalist wants the labourer as a means to his profits, the labourers want the capitalist's money in order that they may live. Each, for the present,

is necessary to the other, though perhaps, if they could gain their several ends without the other, they would. The capitalist, his eye fixed on final ends—a fortune, a deer-forest in the Highlands, perhaps a seat in Parliament—is indifferent to the means by which he may attain his ends, provided they are equally efficacious. His hands are but means to these ultimate ends, and the question with him is, are they the best?—which in business signifies the most economical means to these ends. If the capitalist could get larger profits—an end which commands all the other ends—if he could reach his ends more quickly by adopting machinery than by employing men, he would of course dispense with his hands to that extent, as has been often done, and he might even dispense with them altogether. He wants the fortune, the men are but means to it; and, following the egoistic instincts which we must assume with political economy, and the received maxims of business to govern his practice, he will purchase his human instruments at the lowest possible price. He will buy his required quantity of labour in the 'labour market' as cheaply as may be—that is the general principle—the word cheap being understood with some latitude, since apparent cheapness may turn out real dearness where the labour is bad.

He will buy the labour as cheaply as possible, because the less he pays his hands (as a rule) the greater his profits, the nearer the fortune, the deer-forests, and the grand goal—the seat in Parliament. It is no special concern of his that this cheapness, or 'low-priced labour' as it is called in the language of the market, may signify much privation and pinching

to his hands, their wives, and children. To promote the happiness of mankind is not his object in engaging in business. He is not a philanthropist. He was nurtured on other ethics and maxims—on the ethics of business and political economy as heretofore accepted, which assumes that every man seeks wealth by the shortest road, and will buy all things, labour included, in the cheapest market.

Men are means, like raw materials and machinery, and like them are to be bought as cheaply as possible. And how cheaply can their labour be bought? It depends on circumstances, but chiefly on this fundamental one, whether they are relatively many or few in comparison with the demand for them. Before the days of Trades' Unions the price of labour was very cheap indeed—if there were plenty of labourers offering their services—if, to use the language of political economy, the supply of labour was more than the demand for it. If a manufacturer or a contractor wanted only a hundred men, and two hundred offered their services, all capable, he could, if he chose, get his hundred men at the lowest price compatible with the barest subsistence of the labourer, because the men in such a case, fearing worse, would underbid each other; acting without combination, they would necessarily be in competition against each other, and without trouble on the employer's part they would themselves force down wages to the lowest point. There would, in fact, be no inferior limit short of that set by a sense of shame, or as Adam Smith expressed it of 'common humanity' in employers.

In such a case wages might sink below Ricardo's famous minimum, namely, the lowest amount that

would just support the labourer and his family—because men in dread of starvation or the public charity would have taken less.

According to Ricardo, who so long ruled in the economic schools, the Legislature, and the world of business,[1] wages tended at all times to this minimum, which he called the 'natural price of labour.' They could never be very long above it, because the high wages lead to early marriages, a great increase in population, and a consequent fall of wages by the increased competition; nor, on the other hand, can wages descend for any great length of time below this minimum, because when it does death comes in to thin the rising generation, if they do not early kill the parents themselves; and in time, from the lessened supply, 'the market price of labour will rise to its natural price.' There was thus a tendency, according to Ricardo, to a sort of rhythm of high and low market wages, and there was a kind of self-compensatory process; the high wages led in time to the low, and the low again to the high, the former by the increase of population, and the latter by the curious sort of self-curative process which consisted in thinning the numbers—in a word, by Malthus' 'positive check,' the death of some of the competitors, who lowered the wages. In the sort of society contemplated by Ricardo, which merely kept up without increasing its numbers, there would thus be alternate periods of plenty and poverty for the labouring classes, like the years of plenty and famine in

[1] Ricardo's *Principles of Political Economy and Taxation* was published in 1817, and may be said to have had undisputed sway for thirty years, or until the publication of Mill's work in 1848.

Egypt, and the one would bring about the other after nearly a generation. There was one other consolation allowed by Ricardo. Wages might, in 'an improving society, be kept for an indefinite period' above the natural rate.[1]

But in Ricardo's theory of wages it is further assumed that the labourers have what economists call a certain 'standard of comfort,' in their way of living—a standard or level indicated by 'the amount of food, necessaries, and conveniences essential to them from habit.' Their wages must suffice to enable them to live at this standard; but here Mill comes in with his depressing criticism, that the standard is not fixed, but may be lowered, and has been more than once lowered. The standard is not fixed, but moveable up or down, and the minimum wage of Ricardo is not an absolute physical minimum, but rather a moral minimum depending on the habits of the people. The minimum may move downward with the increase of population, and it may remain permanently down without the labourers being starved. In fact, Ricardo's minimum is not a true or absolute minimum—it is merely a minimum with reference to a certain level of living or scale of comfort in the working classes, which level might be very considerably depressed, without the labourers losing those things absolutely necessary to life. They might, by a lowered wage, only be deprived of their customary comforts; and Mill argues that labourers, especially if ignorant and thriftless, are much more likely to consent to a lowered standard of living than to restrain their further numbers. There is thus a constant tendency

[1] *Principles of Political Economy*, p. 51.

to push the minimum downwards through the pressure of population. When a period of high wages comes they take it out in early marriages, and people down to this lower standard. The self-reparative process of Ricardo does not take place, by which wages would be restored to the former higher level. The final result of any great period of prosperity, like that following free trade, is not the recovery of the higher standard, but merely a greater number of people living at the degraded standard; and not only is this likely to happen, but Mill contends that twice in the history of the English agricultural labourer it has actually happened.

The minimum of Ricardo, it should be observed, is the lowest wages that will suffice for the wants of a *family*, according to the customary scale of comfort; and it is clear that if the population is to be kept up at all the wages paid to a man must be sufficient, not only for his own support, but also for that of a family. The calculation of wages must be made on the supposition of a family of the average number of children. But in the case with which we started, where wages are determined by men in competition with each other, they might evidently sink below Ricardo's minimum or Mill's minimum, as in point of fact they often do. General wages throughout a whole country cannot go for long beneath this minimum, because if they do the labourers' children will die, the young crop of labourers will not thrive, and the necessary amount of future labourers will not be forthcoming. But though general wages must have reference to the needs of a family, must contemplate the amount on which an average family

can live, there is no reason why a particular employer should have this standard always in his mind. He is under no legal obligation to do so, nor is he pressed by the public opinion of his own class to regard it at all times. Morally, perhaps he should think of it, but we are not now in the circle of moral ideas or considerations. A single employer in an over-stocked labour market need only ask himself, What is the lowest wage I can get these men for? without at all having in his mind the wants of a family; and certainly at the time when the Irish agricultural labourer received 6*d.* per day and the Dorsetshire labourer 1*s.*, the wants of a family could hardly have been in the mind of the employer.

§ 2.

In the good old days before Trades' Unions or Agricultural Labourers' Unions, we may say, with sufficient accuracy,[1] that the wages of ordinary unskilled labour, or labour of a low degree of skill, tended to Ricardo's minimum, or the lowest amount that would suffice to rear a family according to the customary way of living—bearing in mind Mill's qualification, that there was also a tendency to depress the minimum itself by too great an increase

[1] There are some who regard Ricardo's law as a useless fiction, because it is, they think, seldom realised. There is no average rate of wages at all, not even on the lowest grade of unskilled labour. Professor Cliffe Leslie is the chief exponent of this view, and, in fact, there is something in his objections. But, all the same, Ricardo's reasoning is sound, and his minimum wage is actually realised roughly, in the case of many agricultural labourers, operative spinners and weavers of Lancashire and Yorkshire, &c. Besides, it applies to the wages even of certain grades of skilled labour. There are minima here, though of higher level, conformable to higher standards of living.

of population. Moreover, in the absence of Trades' Unions they still tend to this minimum. It is, however, quite compatible with Ricardo's law, as before observed, that wages should be for a considerable, and even for a very long, time above his minimum; and as this fact is of importance in the controversy as to the power of Trades' Unions to raise wages, it is to be borne in mind. Wages may range long above it in a prosperous and progressive industry; and, in fact, employers in the cotton, woollen, and other industries found it impossible, or rather out of the question, because unprofitable to themselves, to keep down wages in their several trades in the early part of this century, because there was a constantly increasing demand for their special products requiring ever more hands to supply it than could easily be had. In all such cases the high profits realised attract new capitalists into the profitable field to share the profits, while those already in the field are anxious to extend their production to secure profits on a larger area of capital, in either case causing a demand for additional hands, which could only be got by the offer of higher wages.

In such cases it is no longer a question of cutting down wages with the capitalist employer. It is a question of how to keep the hands he has from listening to more tempting offers, and how to add to them if possible, as a means to a sudden fortune in the latter case—as a means of preventing perhaps ruinous losses in the former. The competition is now no longer on the side of the operatives and against each other to get work, it is on the side of the masters against each other to get the hands. To the new

competitors to get the hands, the indispensable human instruments, may be a question of existence, and at any rate their capital is at stake. They are somewhat in the position of invaders in a hostile country, who are powerless unless they have brought soldiers with them or can enlist them. The hands are the soldiers; without them they are powerless to fight, but with their help they may make good their ground, and conquer a large share of the prospective profits and wealth. For this purpose, therefore, they must, under penalties, bring with them ample capital, the sinews of industrial, as of other war, and they must freely offer high wages, whether to tempt the old hands, the veteran operatives, to enlist under them, or whether to beat up likely new recruits.

Thus even before the days of trade combinations it was impossible for the masters in certain cases, which were precisely those most of all desired by them, to keep down wages. They could only have done so by entering into an agreement with each other for the purpose, an agreement which the new-coming capitalists would have been extremely unlikely to make, inasmuch as it would have virtually shut them out of the profitable field altogether. The new-comer is in truth an enemy, a rival who means to share with you this most promising field of enterprise, and he will not be so simple as to enter into any agreement with you or anyone to pay only so much wages to his hands, which would have for first effect to exclude him completely from the expected gains. Rather, he will outbid you—the old monopolisers of the field—and well, if in addition to drawing to himself the most promising of the new raw

recruits of labour, he does not make your best old hands desert.

There is just one qualification to this conclusion that wages will rise. No matter how prosperous the industry, how increasing the market for its products, if the number of available and capable workers be still more than the demand, the new capitalist employers will not be obliged to offer higher wages. There are, let us suppose, plenty of unemployed hands, and if so, the employer need only offer the minimum wage, because the competition between the labourers will force them to accept it. It is only necessary that the numbers offering be in excess, and a small excess will suffice, for the result to take place, even though employers could very well afford higher wages. In the case that we have supposed above, of an industry constantly developing, this is scarcely possible, except during brief pauses in the demand, but in other cases it might well take place. In short, the supply of labour for most regular industries, except agriculture, is more or less limited; it is, as a rule, equal to the average wants of the trade in normal condition; and if, from whatever cause, there is a sudden increase in the demand for labourers so great as to require additional hands, besides producing competition on the side of the masters for the old hands, wages will rise, whether the labourers are or are not embraced within a Trades' Union which forbids the sale of labour below a certain price. A Trades' Union can prevent a minimum wage when the masters' profits allow a fair wage, though, if the number of labourers had been less, they would have gained the same result without the union through the competition of the employers.

§ 3.

We have just seen that even with trade prospering and profits high masters need not offer high wages if there are more seeking work than their demand requires. Even though masters could afford to give more, consistently with not merely average, but high profits, they need not do so, and they will not, when they can get abundance of labour at the old price. Why, in such cases, do the labourers accept the low wages? Because they must: because by supposition they compete with each other, owing to their excessive numbers, and this suicidal policy forces wages down without further trouble on the part of employers. Even if masters fixed a higher wage there would be labourers willing to accept a lower. In the case we have supposed the profits are high; there is an inrush of new capital into the profitable field, till profits finally fall, and all the time the wages of labour will not rise, though there will be a greater number of hands employed at the old minimum wage. And they will not rise, because there are too many labourers, and they are in competition with each other.

But why should they be in competition? Suppose the folly of such competition struck them, as it soon would, and suppose all in a particular trade agreed not to accept wages below a certain figure, not to sell their labour below a certain fixed price, which need not be Ricardo's 'natural price of labour.' If they did so, both the old and new employers, in the case we have been considering of flourishing trade, would

have to accept the labourers' terms or forego their profits altogether, or if they did not, other employers would be found who would accept the workmen's terms; and thus the grasping employers, who would not share a little with their co-producers, would get nothing—and serve them rightly.

But what happened before the days of Trades' Unions was different. If the supply of labour was in excess, the labourers got the lowest wage, even when the trade was prosperous; and the same thing happens in all fields of industry where there are no trade or labourers' unions, more particularly in the various branches of women's labour.

Nor is this minimum wage of much avail to the employers in the long run, because the inflow of capital soon brings profits down to the ordinary level. So long, of course, as profits are higher than ordinary masters are gaining at the expense of their labourers. But this is a slowly diminishing gain. They cannot, in most branches of production, keep it to themselves and exclude outsiders. They must gradually lower their price, and the only result when the state of equilibrium is reached will be that consumers will get cheap goods at the cost of the labourers.

§ 4.

A minimum wage or a low wage is no good to anyone, except the consumer. It is no advantage to the employer, who only reaps, after all, ordinary profits. It would be a gain to him if, while paying a low wage, he could keep away competitors, which, speaking generally, he cannot. The only gainer is

the consumer, who has had the price of the product of the mill, or the mine, or workshop cheapened for him at the expense of the labourer, and the only compensation to the latter is that he himself sustains this character of consumer; and if products all round —corn and coal and cotton goods, and all else he needs—are cheapened, it is equivalent to a rise in his wages. The purchasing power of his 20*s.* may be as great as 25*s.* formerly.

It is important to add that a cheapened commodity, be it a necessity, a convenience, or a luxury, implies a long previous competition of producers, and it is certain that at the end of the competition, which has resulted in cheapened goods, a great additional number of employers have made good their hold of the field of production, and are now dividing the gains amongst them. If we compare any great centre of industry now with what it was fifty years ago we shall see abundant confirmation of this. In all cases, the new employers or the new capital have broken into what without their competition would have been a splendid monopoly, with excessive profits for a few employers and high prices for all consumers.

But the new capital also employed additional labour, at first at rising wages, which were only after a considerable time reduced through the competition of employers to undersell each other and engross more of the market.

Here is the order of things in the history of any of our great industries, or of any fresh development of any industry. Some great impetus is given to production, either by some mechanical invention which produces a great quantity at less cost, or, without any

invention, merely by the opening of a new foreign market for some export. In either case there is a prospect of unusual profit, and particularly in the first case, because cheapened production tends both to widen the home and to extend the foreign market. In such a case there is sure to be a rush of capital, if not of individual owners of capital, to share the profitable field of enterprise.

Let us consider the former as the more important and constantly recurrent case, and let us suppose also the invention made in days when a man's property in his inventions was less clearly defined and less protected than it is now, with our improved patent laws. Supposing, also, the employer to be himself the inventor, or to have somehow become possessed of the inventor's secret, he would, of course, so long as he kept it to himself, have a great advantage over all others in the trade. Producing by his superior method he can at the same time undersell them, and yet derive a profit almost equal to the difference in cost of the two methods. If he could only now get sufficient capital and keep out new competitors, he could gradually drive out the old competitors and monopolise the whole market. At present he can either do this or exact a rent equal to the special excellence of his process from all who are permitted to use it, but it was not so easy to do so in the earlier part of this century. Others gradually adopted the invention, and at length all in the trade. All are now selling at the old prices, because there is no reason as yet why prices should be reduced, and all with reduced expenses and unreduced prices are, of course, making high profits. But this happy state of things will not

last long for those in possession of the field. In our days it would invite attack from two sides—from the operatives who, through the Union delegate, would demand higher wages, and from outside holders of floating capital on the look-out for a good investment. In the times referred to it was only from the latter that there was ground of apprehension. The new capital came, and the first unpleasant result was competition for competent hands; for though the new machinery usually at first set aside human labour, it required, by-and-bye, more and more labour, as was constantly seen in the development of the great cotton and woollen manufactures in Lancashire and Yorkshire during the early part of this century. Wages then rose, both because masters could afford to give them at first, and because it was absolutely necessary to offer them, in order to attract the hands. But the improved processes of manufacture produced goods in much greater quantity, and there was consequently required an enlarged market to take off the increased produce. Each producer, therefore, in order to widen as much as possible his own portion of the market, had by degrees to lower his price,—the only way in which he could enlarge his own circle of customers. Even were there no pressing competition he might find it better to lower his price. He might calculate that smaller profit on a greater number of sales would exceed the larger profits on a less number. But he would reduce very slowly and tentatively. As it is he does so faster, for fear rival traders will be before him, and cut him out of potential new customers, or take away his old ones. There may even come a sort of panic,—a rivalry in underselling (to the great joy

of the consumer), a competition which drives prices down to the very lowest point compatible with ordinary profits, even lower sometimes.

Could the old capitalists have but kept away the new ones, they would have had a most beautiful and, on the whole, most innocent monopoly, as they would have been getting high profits, which the public, only suffering the very negative grief of not getting a thing cheaper than they were accustomed to, would hardly have grudged. Monopolists in such cases, however, usually lower their prices,—not from philanthropy, but in order to widen their market, since by hypothesis their method produces most cheaply on the large scale. But they lower slowly, making careful comparative estimates of the profits from a wide and cheap, or less wide and dearer, market. In the case supposed they must lower prices at once, both to widen their market and, if possible, to drive away intruders; and as to the latter, so far as it is possible, the sooner it is done the better, because afterwards they might possibly, to some extent, reverse the process, and gradually raise prices, at least so far as the taste and wants of the public, which would be noiselessly but carefully experimented on, would suffer it.

Of course at any period of great expansion, or of profitable revolution in any great industry, it never is possible to keep away the new competitors for a share of the enlarged field of profits. But, nevertheless, it is necessarily the policy of those already there to seek to monopolise it and to exclude others, and no doubt they were able for a time to hold the field more or less successfully. At least they made it as

difficult as they could for outsiders to effect a lodgment. They defeated one here, one there, who had tried to establish himself. But the invaders proved too strong in the end, more especially as the expanded demands of the public or the foreigner allowed room for fresh capitalists. The final result, after each period of expansion or considerable improvement, inevitably is that a greater number establish themselves at ordinary profits in the total, that prices are reduced to the lowest point, and that a greater number of labourers are employed, at a minimum wage or above it, according as the numbers capable of the work are or are not in excess.

Briefly, then, the order of phenomena at prosperous periods of expansion is this:—a profitable field of investment and enterprise; an inrush of fresh capital and new men to share the expected gain; mostly, but not always, a competition for capable hands, and a consequent rise of wages; an increased production at less cost, and sold at gradually declining price to an increasing circle of customers, with an accompanying competition for the largest share of this widening market, which necessitates ever lower prices, till finally the ordinary level of profits is reached and passed, while, probably also, the wages of labour have been reduced to stave off the lowering of profits.

Now in this process or series there was at first competition to secure the operatives at high wages; but as profits gradually fall, and when the ordinary level of profits comes into view, it becomes a question of cutting down wages in order to save profits, and still continue selling at the lowest price. It is the underselling passion; the competition to sell at a

fraction lower than one's rivals in the trade, that has brought about the situation where the workers' wages are threatened; because it becomes at this stage a question with some employers either of reducing wages or accepting less than average profits, with the impending possibility of having to retire from the field after all.

At this stage there is no longer dread of new outsiders coming to dispute the field. There is a more pressing danger. Profits are running low in this lately prosperous industry by the natural progress and pressure of events, and without any slackening in the outside demand, while wages are still high. Employers might now, if they chose, combine to reduce wages, and thus give profits a general upward lift; but whether they combine or not, an irresistible tendency to lower wages sets in at this point, where the fall in price has left only average profits to all, and to some still less than average. These last to save themselves will probably be the first to reduce wages, but all the rest will be compelled, in self-defence, to follow suit, because the underselling game can be longer continued by the reduction of wages. Moreover, the masters best off are not unwilling to be better off; and they can easily excuse the reduction to their consciences, and represent it to their employés as a necessity. Any step can be represented as necessary: the only question is, necessary for what? In the case of the prosperous employers it is a hypothetical necessity; it is necessary, in order that they may keep up unusually good profits; in the case of those who are losing it may be a real and absolute necessity. They may either have to

reduce wages, or withdraw themselves and their capital so far as practicable from the field.

Where the tendency to lower wages has set in, the hands will have no alternative but to accept the employers' terms—unless they are in combination. If they are not in combination, so as to offer resistance at once, all the employers must follow the example of him who first lowers wages, or allow him an advantage in the underselling competition—a thought not to be entertained. Wages accordingly will be reduced; the tendency to lower, once set in, will be carried to its extreme limit. Every sinking firm or losing capitalist will lower wages to save themselves, so long as there is the least margin left to lower, and the operatives consent to its being lowered. Wages in all such cases must sink to the minimum of bare subsistence, and let it be here repeated, that this minimum is not absolute but variable, and can be pushed below Ricardo's—a minimum, of which the only thing definite that can be said is, that it is very low, and there is always a pressure to push it lower. Beneath Ricardo's deep there is a lower deep, to which the wages of uncombined, unskilled, and very numerous workers tend at all save prosperous times.

In the absence of Trades' Unions, then, the final result in normal times will be a minimum wage to the hands, as well as a minimum price to the public, with normal or customary profits to the employer. But there will also be a greater number of hands at the minimum wage, as well as a greater number of employers at the ordinary profit. In fact, the particular industry will be just as full as it can hold of employers and labourers, because in the competitive

struggle during the period of expansion many new men have established their footing, many new hands have been drawn to the work. The final gainers, without doubt, are the consumers and the new employers, who have found a new and profitable investment for capital, together with handsome incomes.

§ 5.

But under a Trades' Union *régime* the result at the corresponding final stage would be somewhat different. Up to a certain stage, indeed, the resulting phenomena are the same in both cases. Unionism or no Unionism, a prosperous and expanding industry draws capital and necessitates high wages during the expanding period (unless in the one exceptional case where the supply of labour exceeds the demand, even of such a prosperous period, in which case a trade combination would have protected the labourers). With this exception wages would rise equally under either system, and it is chiefly when the inevitable day comes round later on, when masters think of lowering wages to save their profits, that the difference between them appears. Before the days of trade combination, if one employer gave notice of a reduction there was no chance but submission. Combination being illegal, each man could easily be defeated singly. At present, by refusing the lower wages, they can stop the threatened reduction. They can strike work, and then the employer is out of the fight. His capital becomes idle, his profits cease altogether, his custom passes to the other employers. Now, unless this employer's profits are so very low, that it is a

question with him either to reduce wages or retire altogether, it will be his interest to accept his workers' terms or suffer worse.

Of course employers will not go on at a permanent loss. And in the long run the generality of them will have what they call fair profits. But at the point where we are, those hardest pressed, should they attempt to reduce wages and be answered by a strike, will have only these two resources—either to fight it out with their men, which is ruinous for both, or to come to terms with them, which means not reducing their high wages, and at the same time raising, or at least ceasing to lower price. If profits are to be saved, and that they are is the first postulate and last principle of every man in business—if ordinary profits are to be secured, either wages must be reduced, or price must be raised, or at least must no longer fall. Either the artisan or the consumer must suffer to save the profits. Which shall it be? It depends on the resolution of the Unions. In the case we have supposed, if every group threatened with low wages maintains a firm front—in the case we are considering, observe, not every case—we can safely predict the general result without going into specialities or many probabilities in detail. The Unionists will maintain the high wages at the cost of the consumers—prices will not fall, as they would otherwise have done. Some of the capitalists that otherwise would have succeeded in maintaining their position will succumb. They will quit the business (throwing out of employment their hands) because, prices being kept up, the demand will cease to grow; and the system probably requires a growing demand to

save them from the other dreaded evil of 'over-production.'

Thus, then, the final result under the Trades' Unionist organisation will be a higher price of product for the consumer; a wage considerably above the minimum, but with a smaller number of hands receiving it; and a certain number of members of the Union wholly or partially out of work, and receiving an allowance out of the wages of the successful men, or out of the General Union funds—the Union being thus a kind of communistic system and mutual assurance society, of great help materially and morally to the temporarily unemployed, but of doubtful efficacy in raising the average wages of the workers all round. Infallibly, the final position of equilibrium under a Union system, when the longer gale of prosperity has passed, will be somewhat fewer hands at higher wages, fewer employers at ordinary profits, higher—but not greatly higher—prices to the consumer, together with a certain number of hands out of employment or working half time.

But now, as a trade never is for long in a state of neutral equilibrium, but while usually slowly extending on the whole is subject to alternate periods of briskness and depression, it will be necessary for us, in order fairly to compare the effects of a Union or non-Union *régime*, to pursue the history of the industry into the stages following that in which we have left it above. Let us suppose that some time after the neutral state—the state neither particularly prosperous nor the reverse—there follows a time of languor and general depression, such as is rather the rule than otherwise, at least in later times.

Under the non-combined system we left—if the reader remembers—a multitude in the industry, as many as it could hold—men, women, and children labouring at minimum wage, the employers—and many of them—making average profits, and the general consumer happy in the enjoyment of the cheap product of something like slave labour. Now comes a great depression over the industry. Wages are at the lowest, and cannot be pushed lower without terrible results. But masters must and will reduce wages to keep up profits. To the hands it is, 'Better take half than nothing!' So some are paid half wages; some are discharged altogether. The public charity must intervene, or death by slow or quick starvation follows for many. Are the masters not morally bound in such case to give at least minimum wages?—as much as might suffice to keep their workers alive? The slave-owner was bound to keep his slaves alive, and could not push their support, even temporarily, upon others; are not employers in our great industries, the nearest modern approaches to the slave-masters, in like manner bound morally to support their hands?

It is a delicate question. Morally perhaps they are, but we are not now in the sphere of morals, but of business, and it is the received ethics of business by which we must judge his conduct. Masters will not under our present industrial *régime* give higher wages than will suffice to leave them ordinary profits. Once for all let that be understood. Ordinary, or, as by a question-begging adjective they call them, 'fair profits,' they must secure first at all costs. No philanthropy enters here,

into the sphere of business. Outside the business sphere masters will pay their share of local rates, but inside it they must have their fair profits; whether they get it by low wages all round, or by discharging half, or by whatever other way seems most likely to secure the result.

It will be a terrible time for the operatives previously at minimum wages. They will get little help from the masters; who although, where there are no Trades' Unions, they are often able to pocket great extra profits without dividing with their hands, do not acknowledge that they should share in part the losses with them. The maxim acted on was and is, 'all above "fair profits" mine; all short of fair profits, your wages shall make it up,'—or rather, as he should say, the public or Christian charity will pay for it, and my fair profits will still be secure.

Let us now resort to our alternative case. Let us take up our Trades' Unionists where we left them, and as we left them; and see how they will bear this wind of adversity. At the end of the prosperous period, and when the state of equilibrium was reached, they had in part high wages, and in part they were out of employment. There comes now the hard and searching times of probation for all. The masters say, 'Business is bad, demand falls off, profits are low, almost nothing; we can't go on without a reduction in wages of at least 15 per cent.' The workers know it to be true. It is not a time to strike to resist a fall, and they accept the reduction. It would be the very worst time to strike—a strike which means no production for a time would only be an extension of the very thing masters are meditating—less produc-

tion and short-time work. A strike would fall in with the masters' ideas, only it would be the workers hitting themselves the blow the masters meant to administer in milder form by working short time. We may assume, therefore, when workmen understand their own interests there would be no strike in such a case. 'We cannot give you this high wage, and continue the work,' is the essence of the situation at this point; and the men would for a time submit to lower wages as the least evil under the circumstances. A strike does the masters the minimum of harm just then, perhaps it would be rather a relief than otherwise; some of them were actually working at a loss, in which case a strike would be a clear gain. In any case less wages has become an imperative thing for the masters. Prices are too high as it is. No hope for them in that quarter by making them higher. There is nothing for it but to lower wages, and there is nothing for the men but submission.

Lower wages accordingly they get; they can, however, afford to live on lower wages. But all the time there are some unemployed—those who successfully resisted a lowering of wages at the better time, but fell with their employers. These, not comparatively numerous, are still requiring an allowance, while their numbers have been since, or will shortly, be increased. It is not a case yet for public relief, as we saw it soon became under the non-Union system. It is sufficiently bad, but not so bad as the other. In fact, if the depression is not deep and prolonged, as most of them have a margin, they may pass through without touching the bottom. Under the other system, with a larger number at minimum

wage, the first adversity makes paupers of some, and soon of most of them, because by hypothesis they could have had little or nothing saved.

§ 6.

But except for a dying trade no depression lasts indefinitely. Let us suppose the evil period passed. One system has weathered the storm without the degrading pauperisation of the labourers. The other has not. The normal or neutral state returns. Under the non-combined labour system, the scattered half-pauperised workers are once more re-gathered into the factory, glad of any wage, even the old minimum one. As yet they cannot look for more. But trade gets better and better. A market is opened, a series of improvements in machinery made, a hostile tariff is lowered. The period of high profits graciously returns for the long-hoping masters, and there is once again competition between them for hands. If there are not too many of them—and it is the worst weakness of the non-Union system that it tends to an over-stocked labour market—wages will rise, but not so fast nor so high as under the combination system. Under the latter, wages have never fallen to the minimum, and they will begin to rise as soon as the new stimulus to trade is clearly perceived. Some of the unemployed will be engaged, and soon all, and all at full time, and even if their rules allow it, some at overtime in addition.

Profits rise higher and higher, and more than the masters know the fact. And now we are in a position for seeing the real strength of Unionism, and where it can be made to tell most effectively.

Under the Trades' Union system as soon as ever profits begin to rise, the workmen can claim a share of them. The first effect of prosperous time indeed will rather be to give employment to those in the trade out of work, but even these will necessarily enter at once on better terms, on a wage above the minimum. But supposing all in employment, and profits to rise, the employed can command a share in the rise, and command it with every certainty of success. They can get the advantage from the beginning of the prosperous gale, and they can continue to get it while it lasts.

During this prosperous period the Union can put in its plea in behalf of the labourers with effect. Before the inflow of new capital comes, which we have seen was characteristic of the time which we have now once again reached, the labourers' delegate can say, 'Give us a share of your large profits, which you will have to part with by-and-bye to other capitalists if you do not give it to us. Share it with us, your workmen, and the new capital will be kept out, or, at least, the new capitalists. You can yourself—you and the other masters already in the trade—raise the new capital, keep and divide fair profits on it, only we must have a share, we must have a fair share of what you get above your fair profits. Give us part—we are in the same boat; it is even better for you to give it early to us than later on to your rivals and the general public, to whom you will have to make it over in low prices. Let us join to keep out the new men, let the old come to an understanding with each other, and all share with us—with their hands. The price can be kept up, but it can

only be done by accepting our terms and raising wages, and at once.'

There is much in the delegate's speech, and matter for meditation of more than masters. For it is a fact in such a case—and it is a very important and general case—that the masters would serve their own interest by acting on the delegate's advice and acceding to his request. By raising wages they secure the workmen, and keep out new men. The new men will not venture into the field, because the decisive step of raising wages at once lowers profits, and with it their inducement to come, while it also binds the best workmen to their old employers. But though this action shuts out large new capitalists, it need not shut out new capital. Rather the employers already in the business will borrow capital, will enlarge production, and will get profits on a larger surface of capital. They will, no doubt, have to pay either bankers or other lenders interest on their advances. But then they are making large profits, and will be able to pay the interest, and the under-selling does not begin till a much later time. Moreover, it need not be keen between those who are now rather a sort of semi-monopolists in a state of combination as regards the consumer.

We have now completed the comparison of the two systems of combination and non-combination, in the three usual stages or cycle of things—expansion, depression, and the neutral state—and we have seen that the effect of the two systems is very different on the masters, the workers, and the general public or consumers. We have seen that in the absence of Unions the usual cause of a minimum or a low wage

was the competition of employers, which by forcing down prices forced down, on the other hand, wages to spare profits; and that under a system of Unionism, especially if recognised and partly accepted by employers, there would be little underselling, very moderate competition, and that finally masters and men would be virtually in a sort of partnership, enjoying, if masters combine, a monopoly as against the public; if they do not combine, still the advantages of comparatively high prices for a somewhat smaller circle of custom, the outside public paying these prices, and sharing in them only so far as some of them may have shares in the larger capitals, either because they have lent indirectly to the capitalist through a bank, or because they have directly purchased shares in a limited company engaged in the trade. The whole system and result are thus different, and it is to this that we are steadily tending, if we have not in some cases already reached it.

CHAPTER II.

TRADES' UNIONS AND THEIR INFLUENCE ON WAGES.

§ 1.

We have seen the way in which wages might sink permanently to a minimum in the absence of combination, and we have seen how combination might resist the sinking towards it. Let us now consider the reverse case. Let us trace the effect of a positive attempt at reversing the process of lowering wages. Let us suppose a desperate effort made to lift, not a trade or calling, but the men in it from the gulf of a minimum wage. We will suppose wages at the minimum, and the happy consumer getting the products of the labour at the minimum price.

In a particular trade, let us say, to fix our ideas, of cotton-weaving, there is a threat of a strike to raise wages; and to narrow the discussion, let us suppose the trade in a steady normal state, and the employers making average or customary profits on all their outlay. We are not to suppose any new invention tending to cheapen production or price, nor any extending markets, home or foreign, because either of these tends to raise price. The conditions are to be—minimum wages, average or 'fair' profits, the trade

neither specially prospering nor the reverse, and a low price to the consumer. Under these circumstances, the Union—which it will be better to assume to include all competent hands in the trade—demands an increase of, say 15 per cent. in wages. Can the masters grant it, and what will be the several effects if they do?

Well, as in the first instance they cannot grant it without their profits falling, unless they can raise prices, as likely as not their reply will be one of defiance and war. We shall, however, suppose them to yield, in order to trace the logical and likely train of consequences. They grant, let us assume, the 15 per cent., and try to recoup themselves by raising the price of their goods. It will not be necessary to raise the price 15 per cent., it may be noted, because wages is not the only thing which is represented in the price. There is also raw material and interest on fixed capital to be recouped, but wages, by hypothesis, is the only thing that has been raised, the others remaining steady. Consequently, the rise in wages of 15 per cent., since the other elements have not been raised, will be covered by a much less rise of price, let us say of 5 per cent.[1] Five per cent., then, is all the price will be raised. The employer will just raise his price so as to cover the additional expenses of production.

[1] The capitalist has an outlay for wages, for raw materials, and he has capital sunk in machinery, &c.; the price of product has to cover these three advances with a profit. Now a rise of one of these of 15 per cent., without a rise of the other two, will plainly not require a correspondingly great rise of price. If the three elements of outlay were equal a rise of 15 per cent. in one only is equivalent to a rise of 5 per cent. in each of the three, and this would be covered by a rise of 5 per cent. in price—minor outlay, such as rent of ground, being neglected.

It is a favourable case for trying our hypothetical experiment. The consumer at home has long been getting his cotton goods and fabrics cheaper and cheaper, in the circumstances we have supposed. Prices are now so low as to satisfy almost even a consumer, whose one end would seem to be low prices. At this low point the price is suddenly raised 5 per cent. Every yard of cotton, coarse or fine, of all sorts is raised 5 per cent. What will be the effect? Now, without doubt, the rich and the well-to-do—in fact all but the struggling classes—will buy almost exactly the same amount as before. Even the poorer classes may not buy very much less, if we remember that most of the cottons they do buy partake of the nature of necessaries. If so, the home demand for cotton goods will not be decreased at all, the employer will recover the advance of wages, which will really be paid by the consumer. The employer has saved himself at the cost of the consuming public. He has shifted the burden skilfully to other shoulders, and has spread it over so many that no one feels it. It is just as if a particular tax had been put by Government on one class of producers, or on one part of their production, which, as Mill and the economists say, is shifted to the buyer through a rise of price. The consumer, including of course the operatives in cotton-weaving, is now paying the tax, and let us hope he will feel happy in the thought that he has helped to raise the condition of a large class of his fellow-creatures. It should be added, that the consumer includes the labouring classes generally, their wives and children, and that a considerable part of the rise of wages is thus really paid by the majority of the

working classes to a certain section of themselves—those engaged in the weaving of cotton.

But also it is possible, and perhaps rather more likely, that consumers in general would not purchase as much cotton goods as before. In general they would not be able, or they might not feel inclined. They have only a fixed amount to expend altogether, and unless the article is like food—a prime necessary that must be had before all else in invariable quantity—they will purchase less when the price is raised. Consumers, therefore, taking them in the mass, will probably take less calicoes, sheetings, shirtings, cotton prints for dresses, &c. What happens then? The contracted demand is followed by contracted production. Less hands are needed, and some are reduced to half-time. Those who are kept on, whether working full time or half time, are getting better wages, part of which, however, must go to keep those men who are now out of work, so that in this case it is difficult to say whether those in the industry have gained or not by the attempt to raise wages. But this is not the whole case. There are other considerations which enter very particularly into it, before any attempt at pronouncing a final judgment can be made.

One thing is certain, there would be a rise of price, and this rise would affect the foreign demand for manufactured cotton goods. It would reduce it, and this would be a far more serious thing than a decline in the home demand. For we make cotton expressly for export, and much more for export than for home wants. We make cotton goods for the world. We make hundreds of millions of yards for

the United States, Brazil, China, India, and for the Continent, as far as the protective duties will let us. Our export—something prodigious in volume and very great in value—amounting to something like 75,000,000*l.* annually, would be reduced. The raised price would diminish the demand; of this, at least, there cannot be a doubt. It might diminish it most seriously if we had close competition either in the country itself to which we export, or in any other country. The raised price might even exclude us altogether from a foreign market, where we had but a narrow margin of advantage over the home manufacturer, or any other. We may, in this case, pronounce almost with certainty that a rise of wages will have one of two effects. It will result in a fall of profits to the employers, frankly accepted, or if they try to raise prices to recoup themselves, it will result in a greatly contracted foreign demand, entailing great loss on both employers and workers. It might even in this case result in a national loss in our exclusion from a profitable foreign market. Nay, it might go further, because in cases of industries other than cotton, high prices in England are an invitation to all foreigners in competition with us in any industry to come and undersell us in our own markets—the crown of industrial defeat, to avoid which there might be no means except —how can Free-Traders utter it?—protective duties.

But let us note, before quitting this branch of the case, that it is only the high prices that produce this effect on foreign demand. If the employers had not raised prices it would not have happened. They raised prices to try and save their profits attacked by their employés, and this is the result—bad for both,

bad for all, but worse for the employers, perhaps. It might, then, be better policy for the employers to submit with the best grace to their loss of profits, rather than lose their foreign market, which is their main stay. It might and it would be better *not* to raise prices on the foreign customers, and to raise it to the home customers only to such an extent as would shut out competitors, which last, however, applies to other industries rather than cotton, in which we have no very close competitors.

We must now take in another consideration. Cotton-weaving is closely connected with cotton-spinning, and an upward or downward tendency of one extends itself to the other industry. A hurt to the one is a hurt to the other, and a gain for the one is a gain for the other, which only goes to show that the risk or loss affects—and affects in the same direction for good or ill—more than those directly concerned. And if the attempt to raise wages in cotton-weaving is a mistake, the operatives in the other branch will feel the effects of it almost as much. But owing to the connections and interactions of things in the world of industry and commerce, the result of a contracted or of a lost foreign market would have far-extended consequences, both directly and indirectly, which it becomes almost impossible to follow, or to calculate beyond the first and more obvious terms of the series of consequences.

Thus we see finally that it is by no means easy to say what would be the ultimate effect of an attempt to raise wages even in the case of a single trade, and the calculation becomes a new one in every different case, so little can we reach general rules in this region

of complication and speciality; and so charged and clogged with hypotheses must our conclusions be, if we insist on giving them the delusive semblance of generality, which the deductive method employed by economists so often affects.

The general answer to the question, If wages are raised what will be the effect? turns mainly on the other question, If prices are raised will the demand decline? And the answer to this varies in different cases, according to various circumstances, which must be specially considered in each case. Sometimes we can be sure that the demand will decline, in others, as in the case of necessaries, we can be sure that it will not. In the former case, masters try to pass the loss on to the consumer, who partly saves himself, and finally there is a re-division of the burden. In the latter case, where the demand does not cease, the loss is borne by the consumer, the labourers gain, and the employer is at no loss.

§ 2.

But we have not yet done with this case of low wages and low profits. When profits are low, are at Mill's 'practical minimum,' the very last thing the capitalist would think of would be a rise of wages, and if pressure is brought to bear on him his first thought is resistance. He will not grant it. Nevertheless, he and all in the trade might be compelled by a universal combination to yield, though doubtless before doing so they would exhaust every other alternative. 'Shall we move from this ungrateful soil altogether, and leave the rascals? But where to

go to escape their confounded combinations? They are everywhere. Employ other hands? The thing is impossible; besides, they would be in the Union too, and just as bad. Import German or Belgian hands? No, that won't do either. Things would be worse. Besides, there would be riots almost—our scoundrels will not let them come. For the present we must submit to their demands and give the wages. No doubt, if it came to the worst we could starve them into a surrender. But we'll have to give it to them in the long run for the sake of peace—as well give it now, and see how we can make up for it.'

In such a case a higher price is the master's first thought of saving himself. He may put on the high price surely. But he may not be able to keep it up. As the market reports say, he may not be able to hold the price firmly, because it depends on the buyers. However, our capitalist employer is not the man to despair, and he is the man for an emergency, which he has shown many a time and oft. What shall he do in this evil case? Profits are low, wages high, no new or extending foreign demand. He can discharge some of his hands, work others short time, sell inferior goods for superior—a bad policy, which will tell on his class if not on himself. Still it is a case where virtue is on trial, and he has only the average egoistic virtues, and honesty is not always the best policy for the individual in search of a fortune by the readiest road. Or, best of all, he may, by increased energy and diligence, by some happy stroke of invention, by some surprising *coup*, save himself nobly and honestly, and climb once more to the level of profits lost by his workmen's demands. But what one, or a few

superior or lucky ones may do, the whole class of capitalist employers we are sure cannot do. They cannot as a class recover average profits, save from some favouring general cause—some general gale of prosperity—operating equally in favour of all.

While trade, then, continues in its present condition, we may confidently say that if masters cannot maintain the raised price some workmen will be discharged, and others will be reduced to the half-time system; because production is narrowed, and no new capital invested in it, such rather seeking other investments. Moreover, if the decline of profits appears likely to be permanent, as trade being now at normal level it is most likely to be, capital will be gradually withdrawn from it to such an extent as to yield at last ordinary profits on the narrowed production which will rise in price so as to allow it. How stands the case now as regards the workers? They have won a very Pyrrhic victory indeed for the total interest, as many of those have long been out of employment, so long that they have ceased probably to draw funds from their Union, while the smaller number who have been kept on at work have had no more than a nominal victory.

Less than average profits no mill-owner, iron-master, or other producer, or man in business can be expected to submit to for a permanence. This is the accepted doctrine of Mill, Cairnes, and all the economists. He will not be content with less than average profits, and if for a time he is obliged by necessity to put up with less, it will be for as short a time as possible. He will, if worst comes to worst, quit so ungrateful and unremunerative a business; and even

if he does not take to another employment, which might be inconvenient in various ways; still he can cease to add to his capital in it—he can diminish it, he can cease to replace it as it becomes worn out; so that working-men, who seek to reduce employers below the minimum of profits, may find out too late that they have over-reached themselves, as they certainly will do if he cannot raise his price correspondingly without checking demand. They may drive away a flourishing trade to another neighbourhood, as the silk-weavers of Spitalfields did,[1] or they might even extinguish it altogether, as far as the particular country is concerned.

And it is no doubt possible that men might commit the mistake of driving from amongst them a benefactor whose place could not be filled. In a country where manufactures are backward this might be done, and might be very disastrous. But in a country like England, where the conditions and prospects of trade are beginning to be understood by the men as well as the masters, this is more and more unlikely; and where the margin for dispute between them becomes narrower, where the harmony as well as the antagonism of their interest are now more clearly recognised, such mistakes will be less and less likely to happen in future.

§ 3.

There are certain cases where Trades' Unions can effect a rise of wages within limits, without the employers' profits being touched, and without any

[1] See Thornton *On Labour*, p. 286.

reactionary ill effect on the Unionists themselves, though it may affect others of the working classes. The building trade is one such, and an extremely important one, giving employment, as it does, to some hundreds of thousands of the better sort of artisans, mostly more or less skilled.

In this case the complications and difficulties which we have seen are raised in the case of an exporting industry, do not arise. Houses are neither exported nor imported, nor is there any fear of foreign builders and contractors, or of foreign masons, carpenters, painters, or plasterers coming over to compete, or in any way to interfere with, the monopoly which these various trades as a whole possess. For the building trade is a monopoly, and, moreover, mostly a local monopoly; that is, the local builders and their workmen have all the building within a certain neighbourhood almost entirely in their own hands; particularly is this the case with respect to each large town. Now, in such circumstances, if all the artisans in each branch of the trade are in Trades' Unions, and demand an advance of wages, it might be an inconvenient thing for the employing builders to refuse and to resist. On the other hand, they are not indisposed to grant a rise of wages, provided it is not made at their expense, which in this case it need not be, as they can charge the increased wages in the consumer's bill—the consumer in this case being the buyer or occupier of the house, who will thus have either the cost or the rent of the house raised on him.

In this class of cases, if only the rich consumer were made to pay higher, or if even employers' profits

fell, there would be little to object to. But working-men and the poorest classes are certain, especially those in the large towns, to suffer most in the long run by the rise of rents, because the poor are necessarily all users of houses, though their construction is not the largest part of the builder's business. For the builder charges the rise of wages on the owner, and the owner of the houses let to the poor (who has a sort of monopoly) takes out the raised cost in raised rent, which, in crowded districts in a large town, may amount to a quarter or more of the labourers' weekly wages for the use of a badly-built and badly-accommodated house. No doubt part of the high rent may be owing to the owners taking advantage of the destructive competition of the poor against each other for a prime necessity of life, namely, house-shelter, which exists in limited amount; but apart from competition, the rent is also raised by the fact that the owner has a monopoly of a necessity of life on which he can put his price, and he and all his class will certainly make this price or rent sufficient to cover all their outlay with at least ordinary profits. There would be a tacit combination amongst house-owners to this extent, and even if there was a combination amongst all householders and house-seekers to lower rents, they could not lower them beyond this point, if the house-landlord remained firm. A general strike to lower house rents we are sure would be unsuccessful, and would end in the defeat of the householder, because it could not last twenty-four hours, if met by a general ejectment and 'lock-out.'

In this case the artisans in the building trade gain

at the expense of the general public, including the working classes. And a balance must be struck before we can pronounce on the clear gain of the latter. Taken as a whole, on the one hand, a respectable and numerous body have gained a rise within the past forty years of 50 per cent. on their whole wages, while the entire working classes, at least those in the towns, have had their rents raised, perhaps doubled within the same period. Now, it is probable that more than half the increased wages in the building trade is paid by others than the labouring and poorer classes; by rich householders, or dwellers in their own houses, by the general customers, who pay for the handsome shop-fronts in the price of goods, by City corporations, by religious bodies, by the Government—for churches, vestry halls, public buildings, &c., and in these cases we can congratulate the members of the Trades' Unions without any reserve. In other cases they have only gained, at the cost of their class in general, a matter at which there is certainly no occasion to rejoice, as something less than half their increased wages is, after various shufflings, finally settled on the shoulders of their, in general, poorer labouring brethren.

§ 4.

There is another wide class of cases, strongly contrasted with the preceding, where the rise of wages, though successful, was of doubtful advantage, having regard to the total interest of labour—cases where wages of the workers might be raised without a single one of their brother workers suffering, and

without even the employers' profits being touched. The class of cases referred to is that of the production of luxuries for the demands of rich consumers.

This class of cases is well deserving of attention for several reasons, and they are peculiarly good cases for Trades' Unions trying their powers on, because in all ages luxuries have been considered by wise governments a good subject for taxation, and because it has been chiefly in the production of innumerable luxuries of all sorts that the astonishingly increased power and productivity of labour, and consequent cheapening in price of the things produced, has been manifested during the past hundred years, as both Mill and Cairnes are emphatic in pointing out to us. In fact, they both consider this the chief reason why the labourer has failed to gain anything, while all other classes have gained so much by material progress. Luxuries have been increased in amount, new and hitherto unthought of luxuries have been invented or discovered, more and more of the general stock of labour has been drafted off by the orders of the rich to labour at production of the luxuries or of things only needed to be exchanged for them; and yet the labourers, as a whole, get only their old supply of the necessaries, and taste none of these luxuries. Luxuries have been cheapened, have been brought more and more within reach of all, save the labourers, many of whom are set to make them. The labourer's necessaries have not been cheapened, on the whole: his food has not been cheapened, nor his house rent, though his clothes have been, and those elementary luxuries, as tobacco and beer, which are to him, in moderate

amount, really necessaries, like his weekly penny paper.

Such is the complaint of Mill re-echoed by his disciples, Cairnes and Fawcett, and it is certainly no more than the truth. Let, then, the labourers who produce directly the unimported luxuries combine and put pressure on employers to raise wages, who can then raise prices on the consumer. In such cases a tax can do nothing but good on the whole, because if the rich restrain their luxurious consumption there will be at least a moral gain, and the capital and labour now set free from this luxurious production will either be employed in producing additional necessaries at cheaper price, or, if there are sufficient necessaries already, a simpler and more generally accessible class of luxuries—luxuries which many can purchase, and which may be quite as desirable every way as those before produced, though requiring less labour and capital. The choice luxuries were, in fact, chiefly desired because they required much or rare labour, and were, therefore, at a high price, which placed them out of the reach of many. These rich people specially want things that few can have, to have such makes their distinction—choice wines, furniture, jewellery, carriages, yachts, fine houses, ornaments, pictures. A tax on such when home-made, produced by a rise of wages, will either narrow their consumption, or if not, those producing them will be at least better paid.

This class of cases further deserves serious attention, because it is agreed by economists that the production of luxuries, and chiefly the rarer and costlier sort, is adverse to the interests of the working classes

as a whole, although it gives employment to a limited number of them. Would it not be well, then, either that the Government should tax these luxuries, or that those engaged in the production of them, if of home production, should step in first, and by trade combinations anticipate the Government by demanding higher wages, to be afterwards charged on the rich consumer?

Luxuries are costly, sometimes because they are scarce, but chiefly because either much labour, or expressly skilled labour, is drawn to their production. It is right that their price should be high on these accounts, but also for the further reason that the buyer can afford it, and by hypothesis, in many cases, is on the look-out for a costly article the possession or consumption of which will confer on him a distinction. Why, then, should he not pay handsomely on all these grounds? If people must have rare things, either for purposes of ostentation—which analysed to the bottom mostly shows an ugly feeling or motive (see what a fine thing I have, which poor creatures like you can't get!)—or for the more presentable reason that they have superior taste, let them pay for them in either, and particularly in the former case; and who deserves the additional pay better than those who labour to procure them?

Not that it would be for the general interest if there were no luxuries produced: for even the employer would cease to employ to produce necessaries if he had not in his eye certain luxuries which he intends to get by his production of necessaries, the hope of which luxuries being, in fact, one of the mainsprings of his energy and enterprise. No, it is only suggested

that a tax on certain luxuries by the Unions, so far as the luxuries are home-made by their members, is one of the most defensible of all, and one which might make some small compensation to the labouring classes as a whole (though unfortunately not to those most needing it), for the losses and privations which the production of such things under our present industrial economy entails on the labourers in general.

The only objection is that in many instances the producers of luxuries have already exceptionally high wages, and it would be better if the tax levied on luxuries could be divided more equitably amongst all the labouring classes. However short of this, or perhaps in addition to this, which might in some sort be accomplished by a Government tax on luxuries, instead of on labourers' articles of consumption, it might even be desirable that those engaged in producing the rarer luxuries, in an ascending scale of difficulty, should ask ever higher wages, so as to hit the very richest most—in fact, have a sort of upward sliding scale of successively higher demand for wages, according as the luxury becomes the rarer. Fewer will share this high wage as we rise higher, but only because fewer rich will require to be so attacked.

§ 5.

There is a class of cases becoming constantly more important to which we have now to call attention—the case of monopolies, whether of a single individual, of a few in concert, or of a company acting as an individual with a single will, in all which

the monopolist has the power of arbitrarily raising the price of product or charge of service, so as to secure more than average profits. What would be the effect in such a case of a combination of the employed to raise wages?

At first it would seem as if this would be just the sort of case where a strike would be most certainly and speedily defeated, because the monopolist being, by hypothesis, the sole purchaser of the labour employed, if the labourers should strike and the monopolist refuses to accede to their terms, they must be at the monopolist's mercy. There is no one else to employ them, and in a trial of strength the monopolist being, as the necessary possessor of great capital, peculiarly strong in staying power, it would seem as if the hands would have no alternative but surrender.

And so, no doubt, they would if a trial of endurance *à outrance* should take place. In such a case the workers would have no choice but surrender or starvation in the end, unless the labourers could and would emigrate rather than surrender. But such a trial of endurance is very unlikely to take place, partly because—the argument from the nature of monopolies being two-edged—the employers can no more replace the labourers than the labourers can find other employers; but chiefly for this, that in these cases of monopolies there is a third power interested, and which will certainly insist on having a voice—the public—which would in general be specially, and sometimes intolerably, inconvenienced by a cessation of the monopolist's work, which in the absence of a monopoly, that is, where there was competition to do the work, it would not be.

Consequently, in these cases the voice of the public would intervene to compel an understanding between the contending combinations or contending monopolists of labour and of capital.

Wherever the public could find a substitute there would be no interference, and they might fight it out themselves. Thus, if the hands employed in the great brewing industries struck, the public that could try a different stimulant or drink, in the shape of wine or spirits, would not perhaps be very greatly inconvenienced, and would preserve its patience. But if the servants in one of our great railway companies should strike for higher wages or lower working hours, it would be a different matter. There is no substitute for railways to the man who wishes to reach Liverpool or Glasgow speedily. Here, in fact, the public would be the great sufferers from the dispute; next to the public it would be the servants of the company; while the company itself would only suffer a temporary loss of interest, which the shareholders, who finally bear it, would scarcely feel. It would be emphatically a case where the combatants would be compelled to come to an understanding with each other, and where, consequently, the reasonable requests of the railway staff would have to be listened to, and their grievances removed. It would be a case where arbitration would come in with good effect, but an understanding would somehow or other have to be arrived at, which would mostly be adverse to the company.

Wherever the monopolist, in fact, supplies a public want that cannot otherwise be supplied within a short time, it is imperative that there should be both

some public check on his power of arbitrarily raising price, as well as some power to enforce the peace finally between the monopolist and those in his service. In such cases strikes and lock-outs would become general nuisances, hurtful to all, with the public the worst sufferers, and they could not be tolerated. To say so is virtually to give a decision against the employer in these cases, because, to say a strike cannot be allowed, while yet the Legislature has recognised the indefeasible right of workmen to combine, and to refuse their services unless at their own terms, is in effect to call on the employers to come to terms with their hands. It puts pressure on them to concede their demands, provided they are reasonable, and here again it would seem requisite to have an outside Court to decide the point of their reasonableness.

§ 6.

But, in general, the rise of wages of which we have hitherto spoken has been at the expense either of the consumer or of other labourers outside the circle of the strikers. The capitalist employer, whose profits they chiefly desire to hit, has mostly escaped by dexterously evading the blow, and shifting the burden on others through a rise of price, which, if his product be a necessary, or something near a necessary, he may safely do—especially if he is not closely pressed by foreign competition—without the demand falling off. The individual capitalist can never be permanently touched in the matter of profits, for his comfort adds political economy; because, if his profits are pushed below the normal level by whom-

soever or whatsoever—by Government tax or strike, or any other depressing cause—if he cannot raise his price or otherwise save himself by cheapening his raw material, making compensatory improvements in production—and it might add, if it chose, by selling inferior or sophisticated goods for superior or honest—if all fails he will quit the ungrateful employment for some other, or else transport himself with his capital and transferable plant to another country, where he can carry on the same employment unharassed by Trades' Unions or other annoyances.[1]

The individual employer may thus, in general, save himself if hard driven. But now suppose labour everywhere organised and combined in Unions—at least in this country—could there not be a general and simultaneous strike all along the line of labour to raise wages at the expense of profits, and of profits only;—a strike which would compel the capitalist everywhere 'to come down' himself, without his being able to shift the loss on others by a rise of price, or to save himself by a change of employment, a gradual withdrawal of capital to be otherwise invested, or a change of country?

Mr. Thornton, in his work 'On Labour,' thinks there might be; thinks that if Unionism were national there might be a simultaneous and successful strike to lower profits, where the capitalists would have no choice but submission, or at least but one other choice, which they hardly would or could adopt; namely, a counter combination of all capitalists to fight it out *à*

[1] Professor Cliffe Leslie thinks that the capitalist can only save himself theoretically in many cases, *e.g.* that a tax might ruin a producer before he could extricate his capital, which, no doubt, is true in individual cases, but not in the majority of cases with which science is concerned.

ourance. Thornton thinks that in such a case it would be impossible to shift the tax on others by a rise of price, and that it would hit the capitalist and him only. In such a case, he argues, the capitalist would gain nothing by a change of employment, for the profits of all employments are, by hypothesis, simultaneously attacked by the Unionists. There would be no use in changing country, if the thing were otherwise practicable, because they would be met by the same state of things and the same difficulty, supposing Thornton's idea, which is also Karl Marx's, of a federation of labour leagues, and an international understanding between the labourers in the different civilised countries. If, wherever the capitalist went (practically only one or two countries would be ever dreamt of) he was confronted by the serried phalanxes of labour, determined to exact as raised terms as the labourers in the country he came from, there would be no use in his moving. If, on whatever suitable shore he landed, he would be met by the same hostile confederation of labour, he would either have to keep perpetually on the wing and die in mid-air, or settle and accept the severe terms offered; so that, all things considered, it would have been better to remain at home and surrender to his own countrymen.

Nor, adds Thornton, could the employer raise his price, nor if he could would the rise serve his turn. 'Abroad and at home they (the employers) would find wages everywhere equally raised and profits equally depressed in all employments. Their least unpromising course might then seem to be to raise prices as universally as wages had risen; but so to

raise prices and yet to keep their whole capital employed would be impossible; neither, if it were possible, would it afford them much relief. As long as all kinds of business continued to be prosecuted on the same scale and with the same vigour, so that there was no falling off in production; and that the quantities of all kinds of goods continued to bear the same proportion to each other and to the quantity of money in circulation, there could be no general rise of prices. Neither, if there were, would the rise be of much service to the employers, who would be little the better off for selling their own products more dearly, if they had to pay proportionally dearer for everything they bought. Prices, however, would not rise, and profits therefore could not escape a depression, to which capitalists would have no choice but to reconcile themselves, unless some of them should prefer retiring from business altogether, or at least withdrawing from it part of their capital.'

But why, it may be asked, may there not be a general rise of prices? The usual answer to this is, that while there is the same amount of production and only the same amount of money, there cannot be a general rise of prices; because the range of prices depends on the amount of money in circulation, compared with the amount of commodities and services that are bought and sold, and as these have not been altered, there cannot be a general rise of prices.

This doctrine is sometimes found a little unsatisfactory, because it is allowed by economists that a single employer may compensate himself for a rise of wages or a tax by a rise of price, and a second and

a third employer may do so. Why, then, not all employers? or when does compensation begin to be impossible by a rise of price, and to what extent? In answer to the difficulty it must be allowed that each employer under the circumstances would *try* to indemnify himself by a rise of price, and it would appear before long whether he could succeed or not. Let us suppose, then, that each puts on a higher price, as there is nothing to prevent him from asking it; whether he gets or gets it soon is another matter. What will really happen? The buying public, the workmen alone excepted, have only the same amount of money as before wherewith to make their purchases, and if all things are suddenly priced higher, it follows their money will not go as far as before in the way of purchasing. Each one then will have to contract his field of purchasing, to make it square with his unchanged income, which has lost in purchasing power; and he will either narrow his purchases equally all round, or contract in luxuries, while buying the same amount of what are called necessaries, as well as what are to him indispensable things—a much larger class than necessaries. There is no doubt what he will do, and what most will do. All will buy the stricter necessaries, and next those things that are closest in character to them, in proportion to their means, and they will curtail their other expenditure. Things outside the circle of necessaries cannot maintain the high price put on them; there is less of them wanted even at the usual price, less of all except the rarer sort of luxuries for the rich few. They will, therefore, fall in price, and there will be a greatly reduced production to correspond to the reduced demand, and, as a further

consequence, some workmen will be thrown out of employment.

But all the remaining workmen are getting higher wages—say 20 per cent. higher, to which a fall of profits of 6 would in general correspond [1]—while some of the usual workers at luxuries are out of work. The demand for the first circle of necessaries—food, clothes, customary drink, house-shelter, fire, light, will, perhaps, be as great as ever at the higher prices put on them, since the workmen have got a rise of wages, and as their demand has even increased for these and the lowest class of luxuries. Consequently, the higher prices will be maintained in these cases, except where, as in the important instance of food, we are subject to foreign competition. For example, English farmers could not make up for a rise of wages produced by a strike of their agricultural labourers by a rise in the price of corn, which, unhappily for the farmers, but happily for the consumers, is governed by the American price and cost of production of corn, irrespective of the English farmers' expenses. (Save, then, in such a case, which, however, is the exception, as most necessaries raised at home are out of the reach of foreign competition, prices will be kept up.)

Still the price of our manufactured goods could not be raised very sensibly without causing a fall off in the foreign demand, a diminution in our exports, and a consequent raising the price of all our imported articles and commodities, including tea, sugar, tobacco. If the price were raised a little more, unless indeed the strike were simultaneous and world-wide, the foreigner would send his cheap goods wherever he

[1] Raised wages, other expenses the same, means lowered profits, but in less proportion. See note, p. 99.

was not far distanced in the competition. He might come over and undersell us in our own market, to the joy of the consumer, who is never a patriot in the matter of purchases. Yes, truly, and unless you put on protective duties the foreigner in such case would come and be received with open arms by the consumer as our industrial deliverer from dear prices, would be received with welcome by every one save the home capitalist producer, and even by him in the matter of all other things save his own high-priced product.

We have thus narrowed the circle of capitalists who can keep up the high prices to those who produce necessaries at home not subject to foreign competition, or but little subject to it. In most cases prices after a time revert to what they were before the rise of wages, while luxuries in general will have rather fallen in price. The final result, then, will be nearly but not quite what Mr. Thornton represents it as regards prices, and profits and wages; that is, the prices of most necessaries will be higher, of luxuries lower than before, while the many things between will be the same. In like manner, wages will have lost somewhat of purchasing power when exchanged for necessaries, but will be 20 per cent. greater in amount. Profits will have fallen in most cases, but will have saved themselves in the cases of the producers of absolute necessaries at the cost of the profits of the producers of luxuries, which will have fallen even below the general fall, carrying down with them some of the labourers. On the whole, we may say a decided defeat for the capitalist, and a gain for the wage-earners.

§ 7.

The above is what would happen under Thornton's hypothesis of a universal strike to raise wages—if the capitalist did no more than try to raise prices to recoup himself. But it is to be observed that the margin for the action of Trades' Unions is very thin indeed. Profits are in general everywhere within a 'hand's breadth' of the minimum, to use Mill's phrase. And they cannot be pushed below a point a little above this, which he calls the practical minimum, or the point at which capital prefers to take flight to other countries or the colonies, where it is sure of a fair interest without trouble.

But what is the other, the real minimum, of which economists talk? It is the lowest remuneration on his capital which the capitalist thinks an adequate return for taking the trouble and risks of business. The minimum must give him the usual rate of interest on *all* his capital, fixed and circulating, plus wages for his management, rated also at a percentage on all his capital, plus an insurance for certain risks of total or partial loss other than ordinary, to which his capital is necessarily exposed, and which also can be rated at a percentage on the capital as paid to insurance companies. If he did not get this amount, which is rated at so much per cent. per annum on the whole capital, he would not engage in business. He would prefer to lend his capital, contenting himself with the rate of interest which he could get without any trouble, and he would either enjoy himself, or if he has taste and talent for business, offer his services as

manager to a company where he would certainly get wages of management. You can't push our capitalist below this minimum by any possibility. Because you see he can get the first item, namely, interest, by merely lending his money, and he can get the second, in spite of Trades' Unions, by offering his services to others, if they won't allow him to have it as his own manager. And it is clear, too, that in general he must further get what will cover unusual risks.

But it may be said, and it is said by the workmen's advocates to the capitalist, 'You want too much for your salary as your own manager. You want a percentage on all your capital, both the fixed and the circulating part, and whether it be big or little, and you rate this too high, as is proved by the fact that for the most part you are not manager yourself, but have a manager whom you pay much less than you rate your own managerial worth at. Your salary should then be reduced to what you are actually paying, or to what is customarily paid, and it should be a certain fixed salary, not necessarily a percentage on all your capital: because it is as easy, in general, to control a very great business as a great one or a moderately large one. Your risks, no doubt, ought to be made up, but only to the extent that they are actually estimated by you as paid to insurance companies, provided they are not insured in all beyond their real extent.

'Moreover, there are certain risks to which your hands are liable in your employment, risks to life and limb, for which you are now held liable by law to give pecuniary compensation in certain cases, and the average estimate of these risks, we think, ought not

to be added to your insurance, and charged in your profits. This loss the class of employers should suffer, and not swell their minimum of profits with it as a thing to be made good. And now your minimum of profits, or fair profits, should strictly be—ordinary interest, a manager's salary of say, 2,000*l.* a year, instead of a percentage on your circulating capital of 100,000*l.*, and again on your fixed capital of 100,000*l.*, amounting, at 5 per cent., to 10,000*l.* It should be only, if interest also be rated at 5 per cent.,

$$10{,}000l. + 2{,}000l. = 12{,}000l.,$$

instead of

$$10{,}000l. + 10{,}000l. = 20{,}000l.$$

per annum, omitting for the present the matter of insurance.'

We are now in a position to see the very lowest point beneath which it is impossible to push the capitalist. He must have at least current interest, his salary of management, let it be of fixed amount, and his risks commuted to an annual insurance premium, or else he too will strike, as soon as he conveniently can, and for the present, at least, the workers would be decided losers thereby. This much he must get, and this much an associated group of workmen would look to get if he were gone, as a return on their capital; because, if this capital were borrowed they would have to pay interest on it, together with a salary, and if they are wise a generous one, to their appointed manager; while, if the capital be happily their own, they will still expect the same returns on it, only that they will then be able to divide the interest amongst themselves in addition to their wages.

But whilst they have not capital of their own they should not grumble at the capitalist who has, because he looks for interest on it, nor at his asking a salary for his services, which they would themselves have to pay if the capitalist was gone. In short, it comes to this finally. The capitalist must get his wages and his interest, because by lending his money he can get the one, and by hiring his services, though, no doubt, with some slight loss of dignity, he can get the other. On the other hand, the association of workmen—the co-operative producers of the future—must pay a manager, and if any or all of this capital is borrowed, they must surrender the interest on it. If anyone raise the question that some socialists do, Why pay interest at all? I can only here reply that interest is a necessary thing, and short of complete communism, must be paid to the owners of borrowed capital.

Finally, though the absolute limit of the capitalist's endurance is represented by the above minimum, it would be very unwise on the part of the workman to press him too near to it, because, though individual employers are constantly far above the minimum of profits, in general—and it is general considerations which mainly concern the labouring classes—in general profits are very near it already, and if the employer is pressed he may send his future savings, and even part of his present capital abroad—to some country where there is a higher rate of interest than in England, of a safe kind. He might thus gain both his English rate of interest, plus salary of management, without any worry or trouble.

§ 8.

What, now, is our final conclusion as to the efficacy of trade combinations for raising wages by the methods hitherto pursued?

They can raise wages in certain trades where there is a kind of local monopoly, such as the building trade; but it will be at the cost of the consumer, who is in general at their mercy, and the consumer includes all other labourers who must pay dearer rent. And even here their action may, and probably will, diminish the total amount of work required in this department of labour, and thus put some of themselves out of work, or exclude a number who would otherwise have obtained a living in it.

In the case of manufactures, where we have a considerable advantage over all foreign competitors, the operatives could compel a rise of wages within the limits of our advantage, which would be paid by the home or foreign consumer, unless, in the latter case, foreign governments put on protective tariffs, which might make our products, if raised in price, unable to be sold in the foreign market.

In the case of home-produced luxuries of all sorts, the workers in combination may secure a rise of wages at the cost of the consumers of luxuries; but in this case, too, it will probably be followed by an exclusion of some of their own class through a diminished demand—an evil, however, that will be more than compensated by the absorption of their labour in more generally useful directions, either in the production of necessaries or of the less costly,

because more easily produced luxuries, which may be quite as good every way, except in the gratification of caprice, or ostentation, or vanity. In certain cases where the public are chiefly concerned, where a strike of work would instantly and excessively inconvenience many people, a strike would very likely be successful, if the workers had any real grievance in the matter of wages, because the public, partly, perhaps, because its own comfort is touched, would go with them, and would compel the employers to give in.

But over and above all these cases, in future the labourers may hope in all cases whatever, where there is a rise of profits above the customary rate, whether of a temporary or lasting nature, to get a share of it. In the former case they will be able to get it at once, and this is important, since it is in such a case a question of seizing it on the instant or not at all. If the rise is likely to be of a permanent nature, whether from cheaper ways of producing or placing in the market, or from enlarging foreign demand, or the removal of hostile tariffs or any other cause, it will be the interest of the employers, or at least not contrary to their interest, if the men press for higher wages to yield to them, and to yield *at once*, or as soon as their new advantage becomes clearly known, in order to keep the field of profit as much as possible to themselves—in fact, to keep it more in the character of a monopoly. By raising wages they will keep away the new capitalist competitors, and if they themselves now borrow the new capital necessary for the enlarged field, and themselves employ the new requisite hands, they will

effectually keep the field of competition limited to the old producers already in it—to themselves in fact. And then observe a pleasing reflection; there will be less need of lowering prices—supposing that the rise of profits has come in the most usual way—from cheaper methods of production, when they could well afford to lower prices and yet receive unusual profits. Why should not all employers within the trade come to a tacit understanding?

'Better give our hands a share at once (or at least as soon as they find out about our fine profits), and keep out the new men. If we don't they'll be in on us and spoil our preserves, and we'll have not only to give the high wage to keep our best hands, but will have to lower our prices through their competition to keep our customers. As they come more and more, our prices will fall, our profits will melt, and then we will have to turn on our hands that remain and lower wages, and all the old trouble and worry with them begins again. But if, on the other hand, we raise their wages, and give them a share of the profits as soon as we get them, we bind our old hands to us, we can keep out the new employers, and either keep up prices or let them slowly down to our customers, who will not feel themselves hardly used, but almost grateful.'

Here, in truth, is nothing less than a new principle in the industrial world, which undoubtedly has a future before it, and which in the more developed form of 'profit-sharing' has in some instances been adopted,[1] in practice.

[1] See Sedley Taylor on 'Profit-sharing.'

CHAPTER III.

THE WAGES OF WOMEN.

§ 1.

THE Ricardian law that wages tend to a minimum, regulated by the habitual standard of comfort, applies only to labour of ordinary difficulty and disagreeableness, to what is vaguely and roughly described as unskilled labour, more correctly to labour requiring little training or special skill. It supposes further that there is no voluntary restraint on population and no monopoly enjoyed by the labourer, either natural or acquired. Wherever there is any species of monopoly, either because exceptional strength or skill, or natural aptitude or accomplishment is necessary, or long training has been required, or because trade customs or Trades' Union regulations arbitrarily restrict the numbers of a particular class of labourers—in all these cases wages may range permanently above, sometimes far above, the Ricardian minimum. If, in addition to monopoly from limited numbers, there is a great and extending demand for any species of labour, as there was for years in the several branches of mechanical engineering for supplying locomotives, boilers, iron rails, new steam machinery for factories, &c., the wages

of skilled labour might rise, as it did in the case of the mechanical engineers, almost to the average of some of the professions.

But in all these cases, to keep wages high it is essential that the numbers be limited. They must be less than the average demand, and it is only through a limitation of the numbers that exceptional skill or ability, even though necessary qualifications, can secure high wages. If the numbers are not duly restricted, no matter what may be the degree of skill in he workers, wages will sink to the Ricardian minimum, or lower yet; nor could any action of Trades' Unions have it otherwise. Skill as such is not paid highly, as Professor Cairnes points out;[1] it is only paid highly when its possession is limited to a sufficiently small number, which no doubt is generally the case. Skilled labour, as the same authority says, does not command a high remuneration where competitors are too numerous, as in certain kinds of literary labour, which, nevertheless, presuppose a liberal and costly education in the past and a certain amount of present knowledge and ability. Why? Because, though the requirements do suffice to exclude many competitors, there still remain, for sundry reasons, far more possessing the necessary knowledge, ability, and art, than the employer of this kind of skilled labour requires. The demand of the public, as measured by the demand of the publisher or newspaper editor, who purvey for the public, is less than the supply of labour. The consequence is, that this sort of labour can generally be bought at a very low price, by the employer taking advantage of the

[1] *Leading Principles of Political Economy*, pp. 86–87 (1874).

labourer's competition and powerlessness to stand out for a price. Not that this is more than a very rough rule, inapplicable in many cases, for exceptional writers can command high terms, and wages are sometimes determined by a sort of custom; but it is sufficiently true and general to illustrate our point that skilled labour may be very badly paid if the labourers are in excess, while the chief exception illustrates the rule, since high reward is only received by the eminent writer because he has a sort of monopoly, because he is the single possessor and dispenser of something that his special literary audience relishes.

In the case of literary labour, indeed, the remuneration might be pushed below any imaginable minimum—to zero almost—were it not that a certain limitation of numbers comes in from the disagreeableness of some of the work, which will not be done by men of ability who have any other alternative, and which accordingly, if the public must have it, must be paid for, not precisely at a rate conformable to the standard of comfort of the well-to-do classes, but sufficient, perhaps, to allow the worker to live decently.

No doubt even these could be pushed very low indeed if employers chose to do it, since there must always, from the nature of the case, be a sufficient crowd of competitors, and these, through our centralisation, nearly all congregated in one city. The Ricardian minimum might theoretically be surpassed in the downward direction, since there need be no fear that a sufficient number of 'that unprosperous class, called men of letters,' as Adam Smith styles them, will not be forthcoming, no matter how much their numbers be thinned in the struggle.

Happily, however, employers have bowels of mercy; and apart from any pressure of Trades' Unions which here is non-existent, the wages of labour, though low, are reported as not declining, but rather advancing in this department of skilled industry.

§ 2.

In the case of women's work of all kinds the remuneration is, in general, very low—sometimes shockingly low. And why? As before, because there are very many of them seeking work, and because, having nothing of the nature of combinations amongst them as yet, they are in competition with each other, wherever their wages are not, like those of domestic servants, regulated by custom. Wherever women's wages are subject to the influence of competition, as in the case of factory hands, shopwomen, needle-women, machine workers, and the like, employers can drive their female employés much below the minimum wage for a man, because that minimum is necessarily estimated on the supposition that a man is married, and that a family is the unit to be supported from the wages; that a man cannot for a permanence be paid less than will suffice to rear a family of average number without the future working population failing; so that employers in their own interest, if they look forward a little, even in their own days, not to speak of their sons', must pay that amount,—unless the employer, a sort of moral outlaw, will not pay even so much, though able to afford it, but seeks to gain an instant advantage at the cost

of the next generation, as well as the unfortunate existing labourers.

In the case of women the estimate is made not for a family, but for a single person. It is only necessary to pay what will support a single individual, very often not even so much. For the employer reflects mentally (let us hope that his thoughts hardly take distinct language even to himself), 'She has other help to fall back on,' and he makes the calculation for all of them on the assumption of a supplement to their wages, without too curiously inquiring whence it comes. Or he makes no inexpressible reflection, but simply says: 'Here are plenty of women offering for my business. I shall keep my wages as low as my competitors, and get as much work out of them as I possibly can for the money.' And the tendency of such system in either case is to force the scale of wages of seamstresses, dressmakers, shopwomen, and other workwomen, down till it reaches some of those wonderful rates of remuneration with which the public were lately shocked when the revelations were made.

Now, if this precious, this worse than slave-owner or slave-driver could get as much or as good as a man's work at half or a third of a man's price he would, of course, reap extraordinary profits wherever his business was in competition with similar business in which the work was done by men, and these high profits he would continue to get and to keep until new competitors for the profitable employment came and compelled him to lower his prices. For, as we know from political economy, wherever profits are exceptionally high, capital and competitors will come,

unless there is something special to scare the latter away, such as exceptional risk or some disrepute attaching to the business. Now, in the present class of cases, it were to be hoped, for the honour of human nature generally, that capital would not flow readily into such a questionable field of enterprise, and that competitors would not come to reap such tainted profits. It were to be hoped that few will be found possessing the necessary combination of wickedness, shamelessness, and large capital, even though the result would be to give a monopoly to the few who do possess them—a monopoly, as it would be, of infamy, as well as of high prices, to the few who surpass in hard-heartedness.

But supposing it otherwise, supposing, as is too likely, that unscrupulous competitors do come into the field to share the exceptionally high profits, neither the old monopolists nor the new-comers will enjoy the profits long. The old offenders and the early new-comers will, no doubt, have the advantage longest; but finally profits will come down to the ordinary level, in spite of this cheaper than slave labour. There will be a constantly lowered price and a constantly declining profit from the mutual attempts to undersell, so that in the sequel, when things reach the stage of equilibrium, they will have no advantage from their superior cupidity and hard-heartedness—their unique business qualifications; no advantage, except that which they already unfortunately have derived in the interval between the former high and present low prices, during which period they may indeed have made a fortune, at the cost partly of the public, mainly of their oppressed hands.

The final result, as we know, is a cheap article or commodity to the purchaser—a transfer, or rather a saving of money that should have gone in the first instance to the poor woman-worker, to the consumer or buyer, through the medium of the competing employers, who have been compelled, by their own competition, and out of no love for the consumer, to abate the price to him. The public is the chief gainer (supposing for the moment that cheapness is not what it so often is, synonymous with a bad article made to look like a good one); the public saves the money that the women did not get, the public that did not particularly ask for it and—albeit that it instinctively likes cheap goods—would hardly care to have them cheap at the cost of the miseries and privations and heart's-blood of the poor.

And the public that has been thus unwittingly brought into the invidious position of being a sharer in the gains of iniquity, of saving its pocket at the expense of its poorer and feebler members, of virtually having had a tax levied on poor workwomen on its behalf—the public will, after all, most probably have to pay some of the tax back again to these or to other women-victims of our fine system of free industry and competition. They will have to pay it in the shape of poor-rates or voluntary charity, unless they would have some of them die of slow starvation in their dismal lodgings, for the shelter of which again they have had to pay one-third or one-half of their wretched wages to another exacting set, who apply against them in another form the screw of competition to get high rents.

The public generally—the rich and well-to-do in

particular—really owe what they thus give them in return for labour badly paid by which they profit, although most of them hardly before knew of their obligation. Let then the public, especially the richer portion, know that when they look for and get cheap goods into which female labour enters, be it by hand or by machine worked by them, the cheapness is generally the last result of a series, of which the following are the steps: low wages to begin with and high profits, new competitors and keen competition for the profits, fall of these and of prices—the latter for the consumer's benefit—with all the time a constant tendency on the part of employers to squeeze the wages lower yet in order to spare their profits and to enable them to fight their competitors—a tendency which results in depressing wages below any minimum on which a human being could by any economy or stretching of resources be supposed to exist.

And now ladies—for you are chiefly concerned as the chief consumers of the products of women's labour—rejoice no more at your good or cheap bargains in made-up purchases until you have first ascertained the cause of the cheapness, which, if inquired into, would generally be found to have been, at least in great part, the low reward of women's labour; unless, indeed, you have been deceived in your bargain and have got inferior goods, both in make and substance, for superior—a deception not unlikely—being an alarmingly all-pervading trick of the trades resorted to, besides the under-payment of women's labour, for the grand end of high profits.

That articles of clothing, or other necessaries requiring needlework, or that the materials of these,

when spun and woven in factories under female labour, should be cheap when intended for the poorer classes, is indeed most desirable, but not even in their behalf is it desirable that their poor sisters should be deprived of their just and hardly-earned wages. We know some of the issues of it too well. If the women are young and good-looking, they will supplement their wages in ways that the employer knows and very often calculates on, whenever he (or she) pays wages unusually low; and thus it often comes to pass that the buyer may get cheap goods and save his charity too—at the expense of the women's morals. Some of the handsome employed will do worse yet: they will boldly quit the employment in which they are half-paid and hard worked, and they will take to another pursuit, where high money rewards await the bold beauty of the people, from our Malthusian middle-classes. That they will do so we may safely predict, knowing the strength of the double set of motives acting on them—on the one hand, the desire to escape the pains of poverty; on the other, to secure a life of excitement, and the high remuneration assigned to their function in the dreadful coil and complicated chaos of our social system.

Nor blame them too severely, good ladies, nor affect to raise your hands in pious horror at the 'shocking immorality' of the lower orders. For know that on this matter much might be urged in their defence. Know that whatever other part of the province of morals is eternal and immutable, this particular branch essentially is not, but varies with custom, country, and social conditions; and that, under our new social conditions, the subject of the

right relations between the sexes, a delicate and difficult inquiry, needs to be written afresh, or revised to date; that the doctrine of St. Paul's Epistles requires a further gloss when applied to our crowded cities and complicated social circumstances. However this be, one of two courses is for you. Either you can help to stop the evil—and for this purpose you must go down to its true cause—or, supposing you to know the cause, and to shrink from the only radical cure as too costly for yourselves, then learn hereafter to deal gently with your offending sister, who in fact is but another victim to the necessities and exigencies of our existing social system,—sacrificed in part for you, and that you may enjoy the sunshine; who is where she is because you are where you are—the dark shadow, largely produced by your splendid selves.

Yes, if you would really stop the evil, you must know that you are yourselves partly the cause; and that in two respects, inasmuch as you are so anxious to get women's labour and the products of women's labour so very cheap; and moreover, are the most uncompromising supporters of an order of things that carries this special social evil with it as an eternal and necessary part of itself. Nor talk of their own frailty as the cause. The frailty is no more inherent in them than in you; on this point at least, there is born equality in classes—at all events, as to this, it is not given to any of us to cast stones at them. In truth, many causes concur to produce social results, but two things chiefly produce this peculiar institution, known as the 'social evil'; first, the poverty of the poor, and that not merely from

the low wages of female labour, but also from the poverty of the parents, which often drives the daughters on immoral courses before they have other wages—the parents, from poverty, sometimes tacitly consenting, if not in extreme cases encouraging them to it; secondly, the existence of a rich, idle, and dissolute class, with the means of tempting them, and of another much larger class, not rich, nor idle, nor dissolute, at least, not rich enough to marry, but rich enough to form less expensive connections, of a more or less temporary kind. And for this last powerful encouragement, if not fruitful source of the evil, there are likewise causes, one being the expensive tastes and habits very general in the ladies of their own social grade, which make the men avoid marriage, another being the severe struggle for existence, and for holding their grade, amongst the members of the lower sections of the middle class, and a consequent real and well-grounded apprehension of the difficulty, as well as natural shrinking from the responsibility, of bringing up, educating, and placing a family. And thus we are shut in on all sides in a terrible circle, and thus the poverty of the poor, and the wealth of the rich, and the false sentiments, as well as prudence of the middle classes, in addition to the stern conditions of existence, all work together for evil, and in particular to produce the social evil in

already overstocked callings, with finally, in all probability, a proletariate of education and culture from the defeated ones in the competitive struggle, added to our existing proletariate—a state of things which, unrelieved by emigration, would soon bring on the social deluge.

CHAPTER IV.

SHARE OF THE MIDDLE CLASSES.

§ 1.

In the existing system of division of the goods of the world two classes have come well out—exceedingly, the landlords and the capitalists; the former because they are enabled by their position of owners of the land to levy a competition rent on all land let for farming; and again a rent, or the equivalent of rent, on land let or sold for building purposes, especially in or near the great towns; the latter—the capitalists, properly so called, or employers of labour—because they own most of the second great instrument of production, capital, which in large masses becomes more and more indispensable to any production that can hold its own in the competition of modern industry.

The landlord has a first mortgage or lien on all the earth's fruits in the shape of his agricultural rents, which tend as a rule to increase with the increase of population [1]—a first claim which must be paid, or else the landlord may deprive the occupying

[1] The rule is not universal, for at the present time (1884), owing to the competition of American corn, prices have fallen, the inferior lands are falling out of wheat cultivation, and rents are falling—the fact being that the price of wheat is regulated not by its cost on the worst land in cultivation here, but by the American cost, or what it can be sold for in the English market.

tenant of the use of his instrument, the land; while the income from the ground rents (largely falling under Mill's 'unearned increment') is very great and increasing, from the constant extension of the large towns, and in general from the progress of material civilisation. The capitalist again, and not merely the producing capitalist, but the distributing capitalist or wholesale dealer, the lending and borrowing capitalist or banker and money broker, receives his share in the shape of profits, which tend as a rule to increase in amount, though to fall in the rate per cent. The territorial magnates and the greater capitalists, especially the producing and financing sort, have incomes of 50,000*l.*, 100,000*l.*, 200,000*l.* per annum, while a few of the former, who own the ground on which fashionable and commercial London is built, have, it is supposed, 300,000*l.* to 500,000*l.* a year; far more, in fact, than the civil list or personal revenues of most of the Continental sovereigns—infinitely more wealth, though less political power, than the great feudal barons had; more wealth than private individuals ever had in this world perhaps save once before—towards the close of the Roman Republic.

And these latter will continue to grow richer, unless the State steps in and taxes heavily these ground rents, which in all justice it should. It is not so certain about the capitalist. There is some reason to think that he has now reached the zenith of his greatness, and that, although he may for a very considerable period yet continue a conspicuous figure amongst us, that he will cease to grow much richer. There are signs in the sky adverse to him. Besides

the discontent and revolt of his hands, and the demand for profit-sharing, and the revived interest in co-operative production, and the rising tide of socialism, shown in State socialism and in the demands of the socialists for nationalisation of capital and the abolition of interest, there are the more tangible facts—the returns of Schedule D (as far as they can be depended on), which show little increase in the larger incomes paying income-tax. Again, The Company has come to dispute the sovereignty of the industrial world with him, and to divide the gains—the company, which means the division, sometimes the pulverising of profits amongst many smaller capitalists, no doubt after the company-promoter, the directors, the manager, and the secretaries have divided a large share amongst them. Nevertheless, the individual capitalist continues great and powerful; there is little direct or obvious sign that the empire he has had for near a century has received a check, and he and the landlord are still the two most prominent figures covering the whole foreground of the tableaux of modern society.

§ 2.

But it must not be supposed that landlords, producing capitalists, and labourers divide the world between them, or even that the two latter classes divide the material products they have together made, although the language of economists, including Mill, favours the error. All that is divided between the capitalist and his labourers is the first price of his product sold to the wholesale purchaser,

but by no means the final price, which may be 50 or 100 per cent. greater. Between the producer and consumer a number of intermediaries come in, called distributors, each of whom buys, in order to sell, and each of whom gets his profit when he sells the product. The first price is paid to the producer by the wholesale distributor, who may either sell direct to the consumer, but who in most cases sells to a second distributor on a smaller scale, who may sell to a third and he to a fourth before it reaches the consumer, so that finally it reaches him at a price swollen by all these profits on previous prices. The product may at length come to the consumer burdened with three profits since it left the producer, and hence it is no uncommon thing for the wholesale and retail price to differ by as much as 100 per cent.

The difference is not all profits to the distributing classes, because they may have been at much expense in collecting the goods and transporting them to where they are sold; but a very considerable part of the difference is due to the profits of the series of distributors. After the cloth or coal or corn is produced, it is bought by the series of wholesale dealers or merchants, it is transported where required, and sold at a price greater by cost of carriage paid to the railway company or shipowner, and by current profits. It is now sold to a number of smaller dealers, who must make their profits on all their outlays, so that finally, the cloth or coal that left Manchester or Newcastle worth 100*l.*, is finally bought by the consumer or consumers at 200*l.* Thus then, instead of saying that the produce is divided between capitalists and labourers, it would be more enlightening to say

that producers, dealers, and labourers divide it among them (omitting for the present the small tribute to the landlord for ground rent); and that the final price of produce is divided between the capitalist producer and his labourers, the distributing class and their assistants, including, if we choose, in the last term the carriers, whether railway companies or shipowners, to whom they have paid freight for the goods.

In this way, however, a very great distributing class comes into existence, according to political economists like Mill and Cairnes, much too great a class, relatively to the importance of the work done. It is a very powerful interest politically as we know, and a very great class, as we may easily convince ourselves by taking a survey first of the warehouses and emporiums in any great city, and then the mile-long streets lined with shops, large and less large. Or if we look at the trades' directory we might get some notion of its extent, with the list of victuallers, vintners, grocers, provision dealers, publicans, mercers, haberdashers, ironmongers, &c. &c., with an endless and increasing variety of businesses.

According to Mill and Cairnes, there are too many of them, and too much capital in the distributing business, the result of which is that the consumer—that is, everybody—finds prices all round raised to support this excessive number. The excess would be amongst the parasites of industry, and so on Mr. Hyndman's proscribed list of 'profit-mongers.' The excess, but not the whole class, since it performs a necessary work which even under communism would exist, and would have to get its payment either in money or a

share of the produce. But the excessive number is threatened from other quarters, and has been already considerably diminished. On two sides—between two mighty existing opposites—the Co-operative Association, in which consumers have combined to be their own distributors, and the great single capitalist, the Universal Provider, like Mr. Whiteley—the small dealer is threatened with annihilation, and his numbers have already been relatively thinned. The shadow of the all-conquering capitalist is upon him. He is disappearing like the savage before the civilised man, like the small manufacturer before the great. He, too, considers himself a victim of the tyranny of capital, and in England, as in France, takes the side of the artisan against the rich *bourgeois*. The petty dealer and tradesman in time will disappear, just as the small manufacturer of a hundred years ago disappeared, and the great distributor or co-operative store, with many hired shopmen and shopwomen, will rule and reign in the distributing sphere, as the great producer or the company (limited), with many hired hands in the productive.

Thus, then, there are at present three classes of distributors: the small, who maintains an obstinate but unequal fight, and who is doomed, except perhaps in the very poorest quarters—where precisely he is most objectionable, as tempted, in order to live, to supply bad or adulterated articles to the poor; the co-operative store, with much to recommend it, inasmuch as the profits of the old distributing class, now reduced in amount, are partly divided amongst the consumers in reduced prices; and, lastly, the great individual dealer and distributor. For let it not

be supposed that the great single firm will disappear before the co-operative store. The future battle of distribution is, no doubt, between the two; but so long as industry is left free from State interference or State socialism the individual capitalist will be there, and he will have the usual advantage of the single intelligence, concentrated and illuminated by keen individual interest, and a faculty of initiative which his keen egoism will develop wholly impossible in the manager of a co-operative store. The man of genius will appear here, too; and, if he is let alone, if his hands are not tied by regulations as to his shopmen or shopwomen or his processes, he may be backed to hold his own against the co-operative associations. The great store-keeper, like the late Mr. Stewart of New York, the great universal provider, like Mr. Whiteley, we shall still have amongst us, and he and his genus will at least get their share of the total distributing and 'providing' business.

§ 3.

Next to the two highly favoured and fortunate classes of landlords and capitalists, whether producing or distributing or financing, comes the happy and more retiring class, who live upon their incomes, without need to labour—capitalists also of a sort—who reap a yearly or half-yearly harvest of sovereigns, in the shape of interest, by merely lending or letting out their principal, and taking back its yearly yield.

Why do the borrowers give it? Because money makes money in the hands of those who know how to use it properly, those who have the requisite know-

ledge and enterprise, and because such are glad to borrow it and pay the owner a percentage for its use. They can make a profit by its use in various ways mostly contributing to the national wealth, and this profit they divide with the owner, giving to him the customary rate of interest, and if the enterprise is risky something more in proportion to the risk, retaining the remainder for themselves. The bondholder or 'rentier' gets his interest because limited companies, or bankers, or Governments, or municipalities are glad to give it, or at least to promise to give it. In fact, the borrowing world generally is as willing to pay as the lender is to receive. Both find a profit in the transaction, and no one is hurt.

'Oh yes, some one is hurt, the world is not exclusively made up of rich borrowers and lenders,' urge some objectors. 'Society as a whole suffers,' they say, 'because the bondholder or fundholder does nothing for his interest, which others had to produce by their labour and sweat.'

But the fact really is, that the wealth the bondholder receives comes from the employment and increase of his wealth, just as the increase of a flock of sheep comes from sheep. In all probability it was the fathers of these fortunate ones who made the wealth, which they bequeathed to their children. At all events, the present holders either made their capital themselves, or some one gave it to them; who, let us hope, came by it honestly, or, at least, in ways not forbidden by law or custom. Supposing the usual case of wealth inherited from a parent, the law recognises it as the children's, and they, in lending it out at interest, are only making use of their advan-

[redacted], as being owners of money they did not earn themselves. They are simply lucky ones, reaping the advantage their fathers' labour gained for them, and robbing no one, any more than their fathers would have robbed had they lent out the money—robbing no one, but, on the contrary, promoting production and employing labour by lending out their capital that they do not choose to employ directly themselves to other more competent persons. They are really benefiting labour instead of robbing it by lending their money—at least, if any other capital benefits labour so does theirs; and they probably do more good by thus lending it than they would if they started as productive capitalists themselves. The lender does good to the whole series of bankers, brokers, productive capitalists, and company managers, as well as to the labourers employed by the two latter; and he also does good to himself by receiving an income in the shape of interest: so much good at least has been educed in process of time and industrial development from the social evil—if it be an evil—of men being permitted to live without labour on the fruits of inherited capital.

Doubtless a man should do some work in the world, even for his own greater happiness, if not as a return to society, which permits him this freedom to do what he chooses with his wealth and his time. He is morally bound not to be the mere drone, but to do some work as a return to society, because some of its labour, as well as that of his father, was required to make the money, and its consent and permission are still required for its free use and enjoyment.

The fundholder and bondholder might also much further positive good in other ways—more go than by labouring productively in the economic sens but whether he does so or not is his own affair, an unless society is to be radically changed in a social istic direction, it would be as impertinent to point out his work, and as wrong to interfere with his liberty of action, as it would be unjust to take his revenues.

In fact, until the State, by altering the laws of property, declares that a man cannot bequeath his property by Will to his children at all, or even—for it goes thus far—give during his lifetime his money to whomsoever he pleases; until, in short, the State goes so far as to say, 'You may make money and call it yours, but you cannot give it away, unless in the manner and to the persons that the law directs;' and until the State is further able to make its declaration effective, we will have amongst us the receiver of interest and the 'rentier' in his various forms—the shareholder, the fundholder, the foreign bondholder, &c. —nor would even laws forbidding usury be effective to stamp him out, since these could be evaded. You must take him for better, for worse; for, mark ye, to abolish him, to take his interest for the State, is to abolish private property wholly. It would go much deeper than the abolition of private property in land, which might conceivably take place, while yet the chief domain and essential principle of private property remained intact, so far as regards all things other than land. To touch the fundholder is to take the first and most serious step in the direction of communism, pure and simple, and there is no logical,

as there might perhaps be no practical, halting-place afterwards, short of the social chaos to be met on the road.

The bondholder is a necessary and legitimate consequence of private property, even where the rights of private property are so far restricted as in France that the liberty of bequest is greatly controlled by law. The State may, indeed, justly step in after the death of the testator, between the property and the heir, and claim a first share of the personalty to which it gave and continues to give its protection, and to the very production of which the general progress of science and civilisation contributed concurrently with the dead man's brain and energy; and the State might fairly, as the best representative of those factors of progress, claim a portion as due to them, and to be applied to the future interests of science and civilisation, as well as other interests. There was, in fact, an 'unearned increment,' though of indefinite amount in this case, as well as in the case of landlords' rents, and the State might tax it, especially at the time when the new owner will least feel it burdensome. It may assert thus its claims, as it now does with us in the succession duties, but these claims must be of a limited nature if the principle of private property is not to be seriously invaded, and the energy and enterprise of future productive capitalists discouraged. How much the State may reserve is a question of degree, depending on various considerations, economic, social, moral, and even political. The only thing that can be definitely said is, that there are now reasons not formerly recognised for increasing them, but that the increase must not

amount to a considerable fraction of the whole, if we are to preserve a continuity in our laws of property and industrial organisation.

It is necessary at the present time to make some defence of the fundholder and interest-receiving class in general, because it has become the fashion with socialist agitators, and some who should know better, to bracket together landlords and fundholders as alike living on the labour and sweat of others, the drones in our working community, and the parasites of industry,[1] when the simple fact is that the bondholder is only getting a fair return from capitalists or the companies for the use of his money—his by law, at least till private property is abolished altogether, and that his money, probably made by his father's productive labour and enterprise, is as truly now stimulating enterprise and paying labour as any other capital. The man has been simply lucky, and we should rejoice that our existing society, with all its evils and disastrous chances, enables so many thousands to live in this way, exempt from labour other than self-chosen, and in which their money is doing good, in spite of themselves, to others as well as to themselves, while they have leisure left for other services to their country or mankind. Their sin at most is one of omission—they might have done more—these favoured ones—for the world in which they drew such a fortunate lot. But which of us shall cast the first stone at them?

[1] See *Land Nationalisation*, by Alfd. R. Wallace, in which this mistake is made: not prudently either—since to identify two such classes and mark them out for attack is only to unite their potent interests in a common defence, and so most probably to save the former class.

The thing to be lamented in fact is not that there are a favoured few of this class, but that there are not more, that all cannot be as they are, and have their opportunities, even though so many of them abuse their opportunities, and are greater failures than those who start penniless. Doubtless, if it could be proved that they who now live without labour on the interest of their realised funds got these funds themselves or through their fathers, at the expense of the rest; if it could be shown that they were got by moral, if not by legal robbery, there might be a reason for a demand on the part of the existing representatives of the wronged, who in the main consist of the body of the people, for a policy of restitution. But if in most cases the fact is otherwise, and the fundholder's capital is the savings from his fair and honest earnings, or from those of his parent; and if in the other cases, where the charge of immoral acquisition in the past, though probably true, would yet be difficult to establish in individual cases as to degree and manner; more than all, if Prescription in the legal policy of all nations is fairly regarded as a purifier of a title originally faulty from the legal point of view, much more of one only faulty from a moral standpoint, non-existent at the time of the alleged wrong, which took place under freedom of contract—then on the grounds either of common justice or of universally approved policy, the property of the fundholder is to be held sacred—as sacred as any savings now made from our indisputable revenues, and liable only to the general tax on incomes, in addition to the succession duties.

There is one class of landlord whose case is closely

assimilated to the fundholder's—the landlord who bought his land as an investment for his money, or who inherits it from a progenitor who bought it. In this case the rent received takes the place of interest, so far as it is let out to farm; and this species of landlord forms the connecting link in our social system between the fundholder and the landlord by long descent, whose ancestors acquired it otherwise than by purchase—by force, fraud, royal gift, &c. The landlord by right of purchase is not only this connecting link, but he forms the chief defence for the less defensible titles of some of the other class of landlords, much as the fundholder, whose savings were honestly come by originally, forms the defence for those that were not, from the impossibility or difficulty of drawing the line between the two cases.

It is the perception that the title of the landlord who has bought land is at least as good as that of the fundholder who receives interest, that has led the land nationalisers, Mr. George and Mr. Wallace, to widen their attack, so as to include the fundholder, as well as the landlords of both kinds, as the objects of it; and the only result of this wider attack will be to unite all holders of property—to make the holders of all kinds of property other than land rally to the side of the landlords against a common foe.

§ 4.

A more questionable interest than the fundholder's is the whole class of bankers, bill-brokers, stockbrokers, and financiers, with whom for some reasons must be joined company-promoters—all evolved by the

increasing greatness and complexity of modern trade and industry, and particularly by the enlarged use of credit and the increased spirit of speculation. The first of these, the bankers, originally filled a most useful function in the manipulation of capital, by borrowing it from those who could not use it effectively themselves, and lending it to those who could, and still their function, greatly developed from its original one, is in its essence and in the main beneficial if not indispensable. But the function of bankers, and still more of the other dealers above named in the money market, may be easily widened to the questionable, and to the hurt of the general public, whose interest money dealers should subserve as well as their own if they are to find defence. It is their mysterious esoteric practices of which the public are suspicious, and at which they sometimes take alarm, especially when a chance revelation of some of them finds its way into the papers, as in a late trial of a fraudulent stockbroker,[1] in which the need of finding 'cover' came so prominently forth; or again, when some daring financial 'operator,' or generally successful 'cornerer' of cotton or corn, comes to grief in the exercise of his art. Then, or it may be at the end of a crisis, when numbers of the strong and skilful and most audacious operators fail, a little of their occult science necessarily becomes revealed to the public in order to explain the cause of failure. The finer mysteries of these various crafts are indeed infinite, and to the uninitiated layman inexplicable. Moreover, like all other sciences, they are in course of development by

[1] Case of Waters, stockbroker, and Warden, bank manager (*Times* Nov. 3, 1888).

the collision of the keenest brains in the money markets and bourses of London, Paris, Frankfort, Vienna, and New York. Nevertheless, dark as may be their secret science, one may see in a general way what concerns us to see, that banks and powerful monied houses are able to act on the money and share market in dangerous ways, and fraught with consequences to the public; can encourage illegitimate or rash speculations which momentarily profit themselves. There is an easy money morality as well as a severe, and there are various signs that the tendency of our time is to the former, which would be little to be regretted were it confined to the relations, *inter se*, of financiers and money brokers, but which unfortunately would chiefly exercise itself at the expense of the general outside public, who would be the victims of the easier money morality and more developed monetary science.

Certain it is, that while bankers, bill-brokers, and stockbrokers fill useful functions in our present industrial and commercial economy, a considerable part of their work bears a suspicious character, and the great fortunes made by financiers are regarded by many with suspicion, as having been somehow acquired unfairly, and by a sort of Higher Thimble-rigging, nearly always above the reach of law through the genius of the financier. The truth, however, is that, omitting distinctly fraudulent cases, like that of the Glasgow Bank, or successful bubble-company-making cases—the former tolerably rare—the large fortunes made in the financial world are the results mainly of lucky gambling, accompanied with exceptional acuteness and audacity, which in the long run tell, so as to turn chance into certainty. The great financier or speculator,—J. B. Gould himself,

—only gains what others lose, in a gambling game in which he stood to lose, but in which in the long run he wins, not merely by a run of luck, but by his superior knowledge and skill in a very complicated and comprehensive game, in which he is one of the greatest living players.

Moreover, so long as the spirit of speculation and gambling is so strong and general as it is in the English and American people, we are not likely to see less of such cases. Add that the successful speculator and financier is rather a subject of admiration than the reverse with most. No doubt, too, in this high game we only note the successful survivors. Where so much money has merely changed hands, our attention is naturally more attracted to those into whose hands most money has come, not to the much greater number who have lost. Nevertheless, regarding the monied interest as a whole, it manages to take good care of itself. Its several members contrive in general to get well paid for their work so far as useful, and to intercept a fair percentage of the annual profits of productive labour in payment of such services as they render.

It is in times of speculation or of commercial panic that bankers and brokers are most potent both for good and evil—chiefly the latter; and when a crisis comes it so happens that amongst them they cause a good deal of the nation's capital to be destroyed, or lost to the nation, and for a time help to paralyse trade and production, to assist which is their chief function and economic *raison d'être*. In fact this interest, too, requires regulation from the point of view of the general interest. Only that it is extremely

difficult for legislators to make regulations that might not make matters worse, so long as the science (proper) of money and banking is unsettled, and economic authorities lay down contrary theories. Laws to regulate the issue of notes like the Bank Charter Act may, as experience has shown, produce greater mischief than benefit in times of crisis; and the same may be said of the several Bankruptcy Acts before the latest one of 1882. The excessive entanglement and mutual action and reaction of things in the industrial and social sphere generally, make it peculiarly difficult to trace the farther and full effects of any laws. Moreover, cunning and evil men will evade them, while they may hamper honest men's actions. To work a real and thorough reform in this direction, as in so many other cases, requires perhaps a change for the better in our imperfect human nature or in national characteristics, both of which are very difficult of accomplishment. Short of this, any laws intended in the general behalf must be made after a most careful study by specially qualified persons of the whole working of our present monetary and credit system, as well as the methods of those who are chiefly instrumental in working it in the money market.

§ 5.

Besides the capitalists and labourers directly engaged in the production of material wealth, and the bankers, bill-brokers, and lending class generally, who facilitate both the production and the circulation of wealth, and the large intermediary class between producers and consumers, of merchants and

dealers, who buy from the former to sell for a profit to the latter, and several less important classes more or less connected with the production of wealth or positing it where it is wanted—there are large and very important classes in all civilised communities not engaged in producing material wealth at all, but in rendering of services of various kinds, which must be paid for in large measure (but not wholly as some suppose) out of the material produce.

Besides what are called the professional classes—including the old and time-honoured ones of lawyers, doctors, priests of different churches, professors of the different sciences, the comparatively new ones of journalists, literary men, and the recently much developed ones of engineers, schoolmasters, and others—there are the soldiers, seamen, civil servants, Government officials, police, and many other functionaries, all of whom demand and get their wages, though most of them contribute little or nothing to increase the stock of material things, whether food, clothes, houses, or any other. Nevertheless, they do not get their wages for nothing. They each and all do something in return for what they receive. They give 'a consideration,' be it of much or little value. They give their services in exchange for the fees or fixed payment received.

These classes, therefore, are not parasites on the productive industry of others, as certain anarchists represent them. At least the greater part of them give a fair equivalent for the share of productive industry received by them, not to insist on the fact that without the soldier, the policeman, and the judge, the total wealth would be much less. The

medical man gives his scientific services and time for his fees, freely and cheerfully paid to him. The schoolmaster tills the mind of the rising generation of labourers. In short, most of these classes are as necessary to society as productive labourers. Their work is in general more difficult, requiring long and costly training, mostly more important than that of most productive labourers—sometimes infinitely more important, inasmuch as they sometimes add enormously to the stock of human happiness, if not to the stock of food and clothes.

To speak of professional men in the narrower sense, —though not productive labourers in the ordinary economic sense, still they are as good as productive. They offer their labour, their services, and if people are willing to pay for these, it is an exchange profitable and desirable for each. They are productive in the sense that they add to the real wealth or sum of good things in the world, which consists not merely of material, transferable, and tangible things, but of all desirable things, including services, for which people are willing to afford money.

In fact, in the long run a material thing, a commodity, or a tangible article is only desirable because it will perform services for me—sometimes only for a single occasion, as a piece of bread or a glass of wine; sometimes for a long time or for a great many occasions, as a coat or a cask of wine—so that the fundamental thing even in material wealth is the rendering of services, and by consequence the professional classes, and all others who render services for which the recipient is willing to pay, produce wealth in the wider and truer sense. Moreover, some professional

men—medical men, for example—can supply a stock of useful services, worth more to the buyer than any material things; and these services the yearly income of the physician represents in money value. He has produced these services and distributed them, producing in return the money for himself, which is represented in the returns of the gross annual income of the country. The services have been absorbed, were consumed just as material things are in the end consumed; but because they are not visible like material things, the erroneous notion has become general that only the material things are wealth, and that the only real and beneficial labourers are the producers of these last, all others being supported by them—which is only so far true, that they and all men must have some food and clothes, before they can produce other things. The professional man supplies these last, the ordinary labourer the first, and both exchange and both are equally dependent on the other, so far as these things are necessary; while if the thing supplied by the professional man is not a universal necessary, but only necessary for some, or for the nation as a collective unity, it may still be indirectly beneficial to the labourer, while subserving higher necessities. Every society, even a communistic one, would require doctors, teachers of science and arts, soldiers, magistrates, and policemen, even if poets and actors should be shut out. Perhaps it might dispense with or greatly reduce the number of counsellors; this would depend on the complexity of their laws and the complexity of the society. And they might dispense perhaps altogether with the order of priests, which would depend on the state of religious feeling in the community.

The services rendered by the several professions in our existing imperfect society are real, though of unequal value; and the reward, where there is free competition without special favour or patronage, is mostly correspondent to ability, eliminating the element of chance or hindering individual idiosyncrasy of character. In some of the professions, as the Church and the Bar, there are prizes both splendid as regards distinction and solid in money. There are also in the latter numerous blanks; but speaking in the rough, the average earnings of the professional classes, though much below what a business career promises, is respectable. Of course there is little actual tendency to this average, and it varies in each of the professions; still it is useful in considering the question of the distribution of wealth to have before us an average of the several social sections. We may say then, in general, that while at the summits there are brilliant prizes in honour and in money, the average is respectable, the lowest paid are placed above pressing want, and are usually able, one way or other, to educate their children to maintain their social grade.

There is in this country, individual cases apart, little discontent with their lot in the ranks of the professional classes, whatever be the case in Germany, where it is asserted that they also have begun, under the teaching of Karl Marx, to consider themselves as victims of the all-absorbing capitalist, and, as a consequence, to incline towards socialism. With us there is little call for pity on the score of poverty, as regards the members of the old professions, save in the comparatively few cases where the barrister

without briefs, or the doctor without patients, or the engineer out of employment, has exhausted his resources, while with reference to such extreme cases there is usually some communistic adjunct to the profession, in the shape of a benevolent society intended for their relief.

The absolute collective earnings of this important variety of interests is very great, as the income tax returns demonstrate, while the incomes realised by stars of first magnitude, whether physician, architect, solicitor, or eminent Q.C., must be great, surprisingly great, as the amount of personalty subject to the death duties sometimes shows.

Nor are the earnings of the professional classes decreasing as a whole, for the schoolmaster and the crammer are earning more, and there are more large schools and cramming institutions, even if the surgeon and physician, through the progress of the medical art, are earning less, which is more than doubtful, considering that the development of new diseases, and the greater liability of the modern human subject to them, fully keeps pace with the progress of medical and surgical skill. It is just possible that, under the most perfect social system conceivable, even in Utopia, our professional classes would not fare better than they do with us at present, while it is not unlikely that some of them would have their wages docked, or might even get nothing, unless their function was transformed into something more absolutely needed by society.

However this be, these men have with us, on the whole, the happiest lot in modern society. The exercise of their callings, besides being held in honour, is

itself agreeable, and the more agreeable in proportion to the individual's ability. They have usually had a University education. They have culture, a competence, and some leisure—at least their annual holiday. To them apply the words of Solomon, 'Give me neither poverty nor wealth,' with, perhaps, just a slight improvement, as their condition leans to the side of wealth. Their greatest, perhaps their only real grief relates to the education and settling of their children, which, besides causing anxiety, necessitates a yearly saving of part of their incomes as a provision for their daughters, in case they do not marry—an anxiety which, perhaps, the future will mitigate by enabling such to find a useful and honourable function to fill in return for moderate wages.

CHAPTER V.

SPIRITUAL PRODUCERS AND THEIR WAGES.

§ 1.

THERE is one very important, most multiform, and anomalous class—it can scarce be said to form a profession—which does not fare quite so well. I mean the class or collection of classes which produce books, or, at least, matter destined to be printed, the production of which in due form of syntax is the only feature common to the otherwise very diverse and most miscellaneous guild, known as the republic of letters.

The class is, indeed, extremely mixed, and its functions most various, from the very highest work that man on earth can do for his fellows, down to about the lowest. For in this motley multitude of writers and book producers are to be found poets, philosophers, prophets, historians, moralists, essayists, leading-article writers, playwrights, novel writers, theologians, with varieties innumerable and unclassifiable, down to that unhappy victim of fate, and over-supply, the hack bookmaker and compiler;—an innumerable throng, with men of all kinds and degrees of spiritual capacity and incapacity, from the very elect, the purveyors, by Heaven's appointment, of truth and wisdom, and fire and beauty,

down to the mere distillers of dulness, the inventors of new forms of mental pains, and the mouthpieces of chaos compelled to syntax, but scarce to sanity. Yes, besides the great and true men of letters, whose high mission it is to give us joy and peace, and wisdom and beauty, to conquer sorrow, to bring in righteousness, to teach us how to live, there are the crowd of romance and novel writers, with one in the hundred that rises to the height of their great theme; the theological writers, a wonderful and most industrious tribe, who purvey, in hundreds of works per annum, matter the strangest for the most part for man, the supposed rational animal; the numerous swarm of small poets, who must needs see in print their pretty fancies and shallow sentiments; the crotcheteer irrepressible; the system maker in this or that department, whose breast Hope still cheers—an innumerable company of small and great, of good, indifferent, and wholly bad. In their printed productions the folly, as well as the wisdom of the writers, is reflected, and in largest proportion. Oceans of unwisdom are yearly poured forth, and the wash of unwise words does not cease to flow. The output from Chaos continues to augment in volume, and printer, publisher, bookbinder, and papermaker are brisk and cheerful. To them, at least, the work is not vanity, but a serious and apparently fairly profitable business, however it may fare with the writers.

What is certain, and here more to the point, is that much of the literary produce is paid for, is actually bought from the producer, and sold across counter as marketable ware, or is let and hired at the circulating library. It can scarcely be said,

without hesitation, that there is much 'over-production,' the maw of the public being of cormorant capacity, and of ostrich indifference to the matter absorbed. Nevertheless, some of the supply does, from its badness or dulness, and occasionally, but rarely, even from its goodness, remain untouched (the loss in such cases usually falling on the author, not on the publisher, whose function is only to adapt supply to demand, when he can make a profit by so doing, but who has no interest in checking authors from producing unreadable works at their own risk). Withal, there is a sort of winnowing effected in the mass by discerning readers, and by the critics whose special work it is to act as literary tasters; so that by far the larger proportion of the annual produce perishes quickly and finally, after subserving its temporary purpose—if, indeed, that can be said to perish which never had vitality, or was ever other than a mere paper collocation of chaotic elements.

In journalism—the only branch of literature, as it may be called, that is organised into something like a profession—the pay of the journalist is understood to be, on the whole, fairly good though variable, and it would be better were it not for the great and increasing competition of educated and qualified men, who for various reasons have not entered the liberal and talking professions, or who have failed to get on in them, or who have leisure left in other pursuits, added to the great numbers for whom literature in whatever form, joined to a life in the capital, offers attractions. But such as it is, it may be doubted if the remuneration of the journalist is fairly corre-

spondent to the important function which, in the course of time and social evolution, has fallen to him, in conjunction with the platform politician, to fill—in the production, distribution, and general management of public opinion on political and social questions; to say nothing now of those other nascent but growing functions of critic, moraliser, sermoniser on things in general, purveyors-general of useful information and general reflections, which the speed and complexity of our life and the want of leisure on the part of busy, grown-up men for other reading than their daily paper, has forced the journal to take on, to the benefit of its readers, let us hope, as well as itself.

Again, in the lower and more disagreeable kinds of literary work, where the bookmaker and compiler ply their art assiduously with the aid of scissors and cyclopædia, it is also understood that the pay is good,[1] as accords also with economic principles and with our ideas of justice. It would appear, in fact, that the reward of the bookmaker of the higher class, as well as of the general littérateur, is really higher and surer than in any other sphere of literary work. If so, the condition of the latter must have greatly improved since the days of Goldsmith and Johnson, those illustrious victims of the publisher of a century ago, the former of whom probably expresses his own sorrows in his well-known epitaph on the booksellers' hack, who had got such a surfeit of existence from his treatment by his paymaster and

[1] At least Mr. Percy Fitzgerald, in his book, entitled *Does Literature Pay?* besides revealing certain mysteries of the craft, assures us that the pay of the higher class of bookmaker is good.

taskmaster the bookseller, who in those days was also publisher.

Even yet, though improved, his lot is scarcely enviable; for there is dreadfully disagreeable work to be done, which would never be done by a man of ability who had other choice, but which will be done and must be done by those whose only other alternatives are still more disagreeable.

In the higher literature, or literature properly so called, there is little or no proportion between the money returns to the author and the real value of his production to the world. This was remarked by Mill in his work on Political Economy nearly forty years ago, and the statement still remains substantially true. It is still true, though in different degrees, that the poet, philosopher, historian, or critic, of the first rank, will not be able to live by the productions of his pen, partly because he is disadvantageously placed for bringing his work before the public, but mainly because he will not find a sufficiently wide public to buy his book. Indeed, whatever his subject, excepting only abstract thinking or philosophy in the narrower sense, if he is possessed, like Macaulay, of a striking and brilliant style, combined with knowledge and clear thoughts, he may make much money; or if, again, in addition to a great imagination and a highly figurative and vigorous style, he adds what is, perhaps, only an extension of the preceding—the gift of genius, like Carlyle, and is able to express his thoughts in the language of the many, he may be able, like Carlyle, to make a livelihood. But we have lately learned from his 'Biography' and his 'Reminiscences' how

difficult, how nearly impossible it was for Carlyle, with all his frugal ways, to do so, and how the struggle soured his after life and threw a Dantean gloom over his soul. Indeed, one is inclined to go further, and to say that his material difficulties and his struggle so long unsuccessful distorted his views of life, and partly marred or made incoherent his message to men. Another great man of our age, Mr. Darwin, whose chief work, though on a scientific subject, yet by its scope and style of treatment deserves to be called literature, was a man of independent fortune; and in his instance we see the splendid service which such might render to the world; for, in all human probability, had the circumstances of Mr. Darwin been different, not only would he have been quite unable to live by his scientific writings, but Fame would probably have passed him by, and the world and science would have missed the theories which will make our age memorable to posterity—at least, we should not have had the Darwinian series of books in support of his great hypothesis, and we should have had to wait for Fortune favouring some other bold inquiring spirit. And so of Mr. Herbert Spencer, the most original philosopher of home growth in our age; and of Mr. Matthew Arnold, moralist and critic, and, on the whole, our most typical man of letters: it may be doubted if either of them could have subsisted on the pecuniary products of their pens. And the same may be said of other important and influential writers of our time; scarce any of them could have lived on the results of what was, nevertheless, their chief business and function, which surely indicates some-

thing disorganised and anomalous in our social and spiritual economy.

The novelists, no doubt, form exceptions, simply because the number of readers or the number of copies purchased multiplies the author's royalty on each copy; but even in this instance the best writers are not necessarily the best paid; for if, as has happened in a few instances, a really great novelist, like Thackeray or George Eliot, receives liberal wages, a respectable but not a great writer, like Anthony Trollope, may receive more, while inferior writers that might be named have probably been still better paid.

The writers or adapters of plays for the stage are also well paid for their work, because there is competition on the part of managers to get the kind of article that takes the public, and the manufacture is in the hands of few. It still remains true, however, that a great writer, the true man of letters with serious purpose, will not be able to live by the money returns of his labour, unless he divides his time into two parts—one of which he devotes to his best and true work, the other to the production of perishable work, for which there is a market, with the proceeds of which he may supply his daily bread; a course not without its serious drawbacks and dangers, and only to be recommended as the lesser evil.

But it may be said that they are few who suffer from our system. And truly enough, they are few. The original writer, who can teach us the way of life in a confused age; the philosopher, who gives us a fresh analysis and a new synthesis of the universe; the poet, who opens new sources of joy and gladness and

evokes new visions of beauty; the prophet, who pleads for social justice or moral regeneration, is not a frequent visitor to our earth, and a generation is held fortunate that can boast of one or two in each kind. But then these few are the most important men sent into the world in our modern times—perhaps, indeed, at all times; men so held in honour amongst the Jews that when the prophet, who with them was also poet, appeared, it was held that God, through him, 'had visited His people', and kings and the mighty ones trembled at his rebuke; so honoured even amongst semi-barbarous people, that the Arabs gave general thanksgiving when a new poet showed himself in their tribe; so esteemed amongst the Greeks that their typical man, Plato—philosopher, poet, prophet in one—was their greatest boast, and has become even for us the quintessence and chief product of the Greek culture and civilisation, if not the fountain head (along with his fellow-philosopher Aristotle) of all modern thought.

Moreover, the few, both of those that are and have been, would have been far more in number to the great gain of mankind had there been any provision made for them, if there had been any way by which they could have got their moderate wages in payment for their proper work, if they had not been generally compelled, by a fatal necessity, to 'quench the Spirit' given them for higher ends, if not to pervert their gift to the service of evil.

What the world has thence lost, what our nation has lost, will never be known in all its range and degree; but it is safe to say we would have been far beyond our present stage in thought, letters, and in

conceptions of life, as well as in art, science, and discovery, but for this reckless waste or perversion of talent and genius, expressly sent to advance us in all these directions. Poems and thoughts of the grandest order have thence been lost to men, discoveries beyond Newton's and Darwin's have been kept back, inventions that would have multiplied wealth and human happiness have been prevented; nay, our poor old social system itself would long since have been mended, and Utopia and the kingdom of heaven, so far as possible on earth, would have been here, had not nine-tenths of the genius and ability supplied by Nature been stupidly destroyed by that system. Alas! it was no one's business to foster genius. And then its free flight might be dangerous to some existing interests or institutions, and so for ages it was systematically smothered by human selfishness or human stupidity.

§ 2.

Thus, then, it is not merely in the sphere of material production that our society is disorganised or unorganised. The disorganisation is much worse in the whole field of spiritual production, but chiefly in that department whose special business is the production of thought—or in what is generally called literature. And the disorganisation in this part is, as Carlyle, who first strongly called attention to it, declares, both the cause as well as the symptom of all other disorders. It is as if the whole head was sick and incapable of discharging its directive functions. But the analogy fails to express the full extent of the evil. For the literary class does not merely corre-

spond in the social whole to the brain, whose disordered function may affect the body. It is from this class that should come the cure for our existing social evils, as well as the better organisation of society for the future, neither of which it can do much to accomplish, so long as it suffers itself still worse than any other part of the system.

One hundred years ago the man of letters, if needy, looked, like Dr. Johnson, to a patrician patron to recommend his work to the fashionable reading world; now it is said he need only look to the public for patronage. He has thus become independent. But his position pecuniarily, exceptional cases apart, has not been greatly improved by the change. For, as already stated, the public will not purchase or hire the works of the man of letters, unless he have the art of expressing his best thoughts in their own speech, which usually the nature and difficulty of his theme prevents. He speaks at first only to the comparatively few who comprehend him and believe in him, who are capable of seeing the worth of his words. The many are not able to comprehend him, often do not care to try. Only the comparatively few will read his works, at least for a considerable time; and thus if he is to depend solely on the public patronage his wages are likely to be the narrowest.

There is in fact no provision made in our society for him. His place at the banquet is already occupied. His bishopric another has taken. He, too, is amongst the disinherited ones. And yet this is the most important man in our modern society, in which so much is changing, so much coming to the birth, so much doomed or dying, chiefly according to his

words. From the days of Rousseau and Voltaire, of Hume and Gibbon and Adam Smith, to our own days—the days of Carlyle, Mill and Victor Hugo and Mazzini—it has become ever more clearly seen the tremendous power entrusted to this man. He can create, above all he can destroy. He possesses the genius both of creation and destruction, and it depends partly on the conditions of society, partly on his own condition, and the reception he meets in that society, whether he exercises the one or other function. He can guide, he can give light, but he also wields the lightning. He is the prophet sent in critical or evil days to teach, to warn, to denounce, if need be, to destroy.

From the days of Rousseau, who revived the *rôle* of the Hebrew prophets in modern times, to the days of Bentham, of Mill, above all, of Carlyle, the function of the man of letters has been growing. He is the modern representative of the Jewish prophet, with the prophet's function widened and modified to suit our age. He has the new word of the Lord, as specially adapted to our social and spiritual wants. He is the first fount of new ideas, the enlightener, the enfranchiser, socially and spiritually. He is the reformer born of wrongs. In some way or other, then, he will have to be better provided for than heretofore. His function will have to receive franker and fuller recognition in proportion to its importance, because his words are the words of wisdom and counsel; above all, in critical days and epochs (when chiefly he appears), and in which they may both show the way of salvation for nations, and prove the words of life for individual men.

In some way there must be a provision for this type of man in future, that his life be not all a wild chance in the chaotic career of literature, and his irritated and defeated genius a danger to the world and himself. A school of the prophets, with endowment too, there was with the Jews, and the prophets were by no means always chosen from amongst the priests. With us, if, in addition to his faculty of superior insight, he knows some special subject, he may get a chair in a college or university in which he may teach our youths, reserving his leisure for his higher work; and this, which Mill recommends, though not quite his proper vocation, is wholesome work, and, on the whole, the best that he can hope for at present. If we omit journalism, which, while it suits others, will not suit him, the next best thing, though open to objections, is that he should get some post half sinecure, affording leisure to think and write; in fact, by a sort of job, but to be reckoned, let us hope, by the recording angel as an act of virtue by comparison, if it prevents the greater reproach of leaving genius to perish, and being 'partakers in the blood of the prophets.'

In fact, when he is not born with a competence, which for the most part he is not, and which, were it otherwise, would be but a new source of danger for him, it is an extremely difficult thing to say how society should treat him in the matter of wages; and the fact of his present position is merely noted for the meditation of the thoughtful, as one capital sign of the disorganised or unorganised state of our society at the existing hour.

Nevertheless, specimens of the type exist even now

amongst us, and held in increasing honour. At present they do important work, for which not they but others receive payment. For it must not be forgotten that the wisdom of the State in the past reserved funds for spiritual needs, which funds, to the amount of millions per annum, have been appropriated by a body of official teachers, whose spiritual monopoly excludes all who cannot subscribe to certain mysterious articles of faith, or who do not accept a certain form of Church government. As ever, an official organisation divides the goods; some thousands, the millions of money—the lowest paid having a competence, the highest receiving princely incomes, while the dozen or half-dozen, who really lead the age in matters spiritual, can with difficulty find the means to live and do their work. Let us add, that these few are merely the strong survivors of many as highly endowed, who have perished for want of the lowest of the priest's portion, from which, in many instances, their honesty shut them out. The consequence is, that in addition to the terrible probation put upon our highest minds merely to live, and the resulting waste and loss of the greater part of our intellectual and moral wealth, our whole society is full of confusion and anomalies, of inversions and perversions of spiritual functions and powers; full of spiritual disorders, as well as social, the latter largely caused by the former, and likely to continue as long as its cause. It is full to the brim of hypocrisies and insincerities in the spiritual sphere, as of evils and injustices in the social; and so full and widespread and all-pervading, that its measure of evil in both kinds is well-nigh ready to overflow.

§ 3.

Here, then, is a new function in the social body declaring itself, and striving in various ways to find a suitable sphere and environment for itself. This function has been growing for a considerable time in efficiency and power, while the older spiritual function, imperfectly doing its old work, now no longer vital, and incapable of doing the work required for our time and wants, has been slowly decaying. The new organ grows, while the old decays beneath it. The new is living, is operative, is destined to be the ruling power, but it can hardly as yet find suitable sustenance, and it is in general in the most anomalous, chaotic, and unorganised condition. This, however, will not last; it is vitally, absolutely necessary that it become better organised, and somehow we may confidently predict that it will become so—whether by 'natural laws,' that is, by waiting on chance, or by men's conscious efforts directed to that end.

The old function, discharged by our old spiritual guides, is palpably, in the eyes of all thinking men, doomed; it is dying, unless it can transform and readapt itself to the spiritual and moral and social wants of the new time—a thing nearly impossible, as history shows, and rather to be hoped for than expected. Nevertheless, the old spiritual organisation is still in possession of the endowments, whence the chiefs in the spiritual hierarchy draw their annual thousands, the inferior ones their hundreds—the latter not indeed too great, could only other spiritual labourers quite as efficient have an equal share in it.

It is still a rich spiritual patrimony, offering high prizes to those who can gain access to it by subscribing the necessary theological formulas—a questionable method of inclusion and exclusion, which it is much to be feared not only draws in the unscrupulous and shuts out the scrupulous, but what is perhaps worse, acts through its high prizes as a dangerous bribe on the better intellects at the critical time of life when they make choice of a profession, by inducing them to practise casuistry with their conscience, or to hush it to silence, or to pretend to believe what in reality they do not believe; and the like again, in the case of those who, after entering the Church, find honest doubts arising. And the result of all this is a general hypocrisy and spiritual cant and moral corruption working inwards, 'mining all unseen,' leavening fatally the general conscience, to the suffocation of all truth, honesty, and sincerity; the evil thing which Carlyle so clearly saw, and against which he passionately raised his powerful voice, the most dangerous condition for a nation, and the one thing almost which makes the thoughtful man apprehend the worst for modern society. For it is universal in all civilised countries, as well as in England, though here perhaps the worst, because there is a fatal talent possessed by our race for at last taking for honesty, and as matter of course, its own insincerity.

True an indifference to the theological doctrines taught gradually grows even on those who had at first the greatest objection to them. Even the higher intelligences, who have come to think, like Gibbon's philosopher in the early Christian period, that religions

are all equally false, very often come to the conclusion of his Roman magistrate, that they are all good and serviceable as moral police in aid of the social order. But what is this indifference but a sign how far the insincerity has gone? And why, if the social order be unjust and evil, should we wish it maintained, especially by such means? To maintain social wrongs by organised spiritual hypocrisy and insincerity is neither a very high nor statesmanlike policy. Nor would it be much longer possible, for the moral police functions are now very imperfectly discharged by the churches, since the masses in the towns are ceasing to believe in the spiritual sanctions.

Meantime, while they cannot fill their police functions, the pay of the spiritual police is still high; and this final fact remains, that the true spiritual leaders of our age—the leaders of thought, the influencers of opinion, the most recognised authorities in matters of morals, of conduct, if not of religious truth, are not amongst those receiving this high pay, but must pick up their wages in whatever honest way they can at present—a trying condition for a class, with their virtue in peril too, and fatally open to temptation, insomuch that many who in their youth resisted the seductive bribes which touched their conscience, may have after all, in mature years, to swallow conscientious scruples for bread, in a service less dignified than that of the Church.

But we must return to matters of a less controversial nature.

§ 4.

When Zeus divided the world the poet, according to Schiller, was absent. The husbandman, the hunter, the merchant, the priest, the king, all got their shares of the earth's goods in their different kinds and amounts. The poet, absorbed in Nature's beauty, in the region of dreams, in the divine presence, forgot the things of earth, and did not return till all had been bestowed, and accordingly received nothing for his portion. The fable, still true in main measure, contains a permanent moral, and still the consolation of Zeus, on the poet's return, must be his chief payment—that he should have free access to the court of heaven, the presence of Zeus, together with his own high raptures there. Certain at least it is, that of the great company of poets who have appeared during the past hundred years, especially those who came at the beginning of the burst of poetic genius, few of them indeed could have lived by the money returns of their art. Neither Wordsworth, nor Burns, nor Coleridge, nor Keats, nor Shelley could have done so. An exception must be made in the case of Byron. He did receive sufficient from his publisher, Murray, for an ordinary poet's requirements, partly on account of his remarkable personality and romantic career, partly because of the primary and universal passions which his poetry deals with, as well as his own impetuous force and fire and unrivalled lucidity. It is said, too, that one or two eminent poets of our time have been able to make such terms with their publishers, owing to the increase

of the reading public, as to yield them handsome annual incomes, and certainly the great genius who lately died in France, Victor Hugo, died rich. Still it remains as ever substantially true, that the poet must value his faculty, not so much for the very uncertain amount of bread it will bring, as for the higher and rarer soul delights which it carries with it, independent of all publication, and even in some measure of written word. Here lies the poet's first payment; then comes, if he composes, the pleasure of his art; then, if he is read and admired, fame; lastly, if he is widely popular, money—a result, however, as likely to fall to the second-rate as the superior artist. It fares better with the poet's brother artist, the painter, who can usually sell his pictures if deemed good, or exhibited at the Academy, or in vogue. Rich men will buy them, because it has become the fashion for such to purchase pictures from our leading artists, just as they rent deer forests in Scotland, as special marks of their wealth, and the power which it brings. The system is possibly not the most favourable for the development of the artist's genius, because it is extremely likely to lead to undue rapidity of work, as well as to repetition of subject, the latter being easy for the artist, and, moreover, demanded by the millionaire buyer, who, when a subject has been commended by the public, orders, on business principles, a similar subject. However, to the artist the system allows at least a considerable exercise of his art, together with the receipt of very liberal wages. If he is in fashion he will work hard, and will not indulge in artistic grumbling at having to suppress in some measure his genius. He

will get good wages, paid cheerfully by the peer and peeress, millionaire and millionairess, for their portraits, as well as for other pictures for their picture galleries. Even the richer part of the public, short of the millionaires, will try to buy his more moderate-priced pictures, while the State itself, or public-spirited municipalities, will buy his best pictures as national or municipal property.

The actor, who has survived the denunciations of the Puritans and the depreciation of Rousseau, fares at present well, both socially and pecuniarily. His calling is more honoured, and the fashionable public, which after dinner wants amusement, perhaps something just a little higher—at any rate, roused sensations, fine sentiments, striking situations, if not always distressed love consoled and virtue triumphant—is well disposed to him, and proves a generous patron, while the general public also contributes its part. And the like may be said of the singer, and in less degree also of that other artist, on a distinctly lower plane—the ballet dancer.

The man of science also is growing in importance in modern society, perhaps more than any other social type that could be named. What with new chairs being created for him, what with the honours and acclaim he receives, and the high price any discovery made by the chemist, or any useful invention which the physicist is fortunate enough to strike on, may bring, he is doing well—perhaps better than his brother of literature, even without the 'endowment of research.'

The inventor proper, who may or may not be a great physicist—commonly he is not—though the

previous advances of science and invention have usually made his own invention possible, is one to whom the world in general, as well as rich capitalists in particular, are enormously indebted. But it is doubtful if he himself received much benefit, until comparatively recently, from the discoveries and inventions. Usually, in past times his process was confiscated or bought for a trifle. At present he can take out his patent for his improved process or wholly new idea; and if he can get the capital necessary to launch his idea in concrete form—capital, which on its side is usually in search of a good investment; if further the idea supplies a want widely felt, in economic language if there is great demand for its products or processes, he may realise a great fortune, and take his seat himself with the conquering capitalist before his patent and monopoly expire.

In this case we have the recognition of the just principle that he who enriches the world by a new and important invention, which multiplies our power over nature or adds to our conveniences, should be entitled to exact a consideration from all who make use of his process or machine; since by its means they are able either to make a money profit, or to gain some equivalent advantage, either by saving time or labour, or by deriving some convenience not otherwise attainable, for all of which the people advantaged ought to be, and commonly are, willing to pay, though they would gladly have it for nothing. There is also the principle recognised that society at large has a claim on all such inventions, after the lapse of a certain fixed period, deemed sufficient to reward the inventor and to encourage further inventions. During

this period the law will protect the patentee's rights from infringement, though afterwards the invention may be used by anyone without tax or royalty. The idea that before was the inventor's, to the extent of his royalty or rent for its use, is henceforth common property.

This also is right: it is right that the right of property recognised should not be for a perpetuity; partly because the patentee was only the lucky one out of several in quest of the same discovery, which would almost certainly have been made after a time by some other; but chiefly because no idea in the practical and mechanical sphere is wholly due to any single brain. It is the result of his individual thought, working on past constructions and ideas, which the labours and invention of others made possible; in fact, the inventor was merely the first capturer in a field in which the evolution of science and invention had narrowed the game for him, only the one lucky hunter out of many who first ran it down.

CHAPTER VI.

THE SOCIAL RESIDUUM AND ITS PORTION.

§ 1.

We come finally to what is perhaps the largest class of all—the class that constitutes the shame and sorrow and danger of society and civilisation; the class, if class it can be called, that has no common class distinction, save that it possesses nothing; the great lowest stratum of society underneath the lowest paid labouring classes; without land, without money, without goods, without houses, sometimes without house shelter, for the most part without honest art or handicraft, or ways of obtaining any of these things; the greater part of whom must accordingly either beg or steal, or receive public charity, or contrive by various mysterious arts that necessity teaches, but which science has not yet penetrated, to get from others the necessary means of life.

This huge class, or congeries of classes, embraces both those who can work, but for whose services there is insufficient demand, and those past their work—the worn-out human plant cast aside by employers because it no longer pays to use it;—those again who never could work from physical or mental weakness, and those who will not work because all work is disagreeable

to them. It includes the 'reserve army of labour' for the present out of employment—the camp followers and those only casually employed—the dock hand, the scavenger, the road repairer, etc. It includes, too, the inmates of the workhouse, the prisons, the penitentiary, the reformatory; though a distinction is here to be drawn, because though there is a constant intercommunication and passage to and fro between those shut up and secluded in these grim houses and the miserable multitude outside, insomuch that many members pass to and fro, yet does the outside multitude retain its freedom, and some amongst it have not abandoned hope. Besides, it has other characteristics deserving a separate study.

A most extraordinary company truly, and a mixed. All sorts of broken and defeated men are to be found in it, as well as those who from the beginning were quite out of life's battle. The failures from the other classes have fallen here into this social abyss. The victims of Nature, of Fate, of Society and social arrangements are here. The victims of their parents' poverty and vice and folly are here—poor perplexed pariahs, summoned without asking into such a world, for them all cold and frowning and hostile and threatening, with all things occupied in advance and guarded by Law, with scarce place for them even in the sunshine. They are here because their parents were here in like case. They never had a chance, never got knowledge, learned art or craft by which they might have escaped from this dark low region and social Inferno into the upper air, and earned an honest livelihood.

The victims of their own folly are here, and per-

haps in largest numbers,—a more terrible condition, but not without its justice; they who had their chance and failed, who would not learn the lessons of Experience, whip she never so severely, till too late. The imprudent and reckless man is here, who would not understand the conditions of life under our existing society, who failed from no high aims, but from mere featherhead folly or sheer obstinate intractability.

Those who have lost character are here, as well as those who, oft defeated, have at last lost hope—even gallant ones who, defeated again and again, have at last grounded arms to Fate, and been swept into the gulf; those who have contracted the prison taint, which ever after damns the unfortunate and compels their renewed war on society; men like Macbeth's first murderer, so 'weary with disasters, tugged with fortune,' that they will 'set their life in any cast to mend it or be rid of it;' or like the other, 'so incensed by the vile blows and buffets of the world, they will do anything to spite the world;' social irreconcilables of all kinds; the general loafer at corners and tavern bars, whose case is only bad when fortune frowns; the mendicant and the tramp, that son of freedom whose love of liberty has marred his fortunes; the improvident labourer past his work; the woman of the town past her youth or beauty; the ne'er-do-well from the better classes, who would not go to the colonies, and who has taken to drink; the thief and burglar, the larger part of what are called the 'dangerous classes,' not at present under society's punishment, but free, and meditating a fresh attack on society. All these and many more types and varieties of social mal-adaptability are to be found, so

numerous that even Herbert Spencer, the philosopher of social evolution, could hardly himself classify or explain them.

Withal, men of genius are in this mournful company; poets, philosophers, artists, savants, inventors—men intended by Nature for such—equipped and endowed for such careers, but Fate and Society forbade. Yes, poets amongst the greatest, and philosophers that might have written immortal systems, lie astonished in this gulf. Men of all sorts of frustrated capacity are here in plenty, and in greater numbers than in any of the classes above; for the lowest residuum contains the defeated men of genius fallen from the other classes, in addition to its own. The fallen spirits in pandemonium are not in more evil case. Ambition disappointed, genius poisoned, capacity a curse to its possessor, rankle here. Sorrow and misery are here, and hate of mankind and existence and the sunlight.

§ 2.

For this is our social abyss and Inferno on earth—a wide and mournful territory at the bottom of our society, within a bow-shot of our social paradise and abode of the blest, though between a rigidly impassable gulf is fixed—a region in which many are born, and into which many whose plight is sadder pass, but from which few escape; a land without hope. This is that dreaded social abyss to avoid which we make such prodigious efforts—efforts even greater than those made to scale the Elysian heights of society where live the elect. It is an Inferno with sundry circles of ever-deepening horrors, to describe

which would require the pen and unshrinking purpose of a Dante.

But would you know its inmates, specimens you may see at any time. For though many of them are indeed 'doomed for a certain term to walk the night,' the spirits in our social abyss are not all of them for the day 'confined to fast in fires.' They are not forbid to walk abroad in daytime, nay, under the policeman's supervision and watchfulness, they may stray to the very regions of the Elect and the valleys of Paradise, provided they do not enter the stately mansions there.

Or take a 'coign of vantage' on an occasion which brings multitudes of the perturbed spirits to the upper air, and you may see the general composition of our social residuum, as well as nearly all the types and varieties it contains, in rapid succession defile before you, repeated again and again. At horse race, boat race, fire, review, civic procession, holiday throng, popular demonstration, the lack-alls, both male and female, turn out in numbers, the former in larger proportions, intermingling with the happier householders and regularly paid workers, from whom, however, they are easily distinguishable.

Or, Dante-like, you may visit the social Gehenna itself at headquarters, in the dark lanes and slums of our mighty cities, and chiefly in their wide and dread abodes in London; taking care, however, especially if day declines, to take with you for your Virgil a policeman, by whom the lost spirits are much impressed, as otherwise you may never revisit the realms of upper air, or never return in person or property as you went.

Were you skilled in deciphering what is written

on their faces, you would read terrible things: sorrow and misery, and want, and ferocity, and hate, and cruelty, and drunkenness, and recklessness, and despair. And other things as terrible but more specific. Here the wild light of genius playing on a face deformed by vice and gin; here the sad superior intellectual face of one who might have been a savant or a sage—how came he here? Here the handsome manly face and well-built frame—how strange; here the aristocratic face—drink and misfortune, reciprocal causes, written on all; here the brutal face of the enemy of society:—the prevailing expression of all, a set stolidity; the face having become a half-stony mask, partly indecipherable, partly expressive of a sort of reckless resignation or indifference, which darkly says that Fate and adverse things have here done their worst; that they are now defied and partly overcome, their utmost having been sounded and suffered; an expression the result of a long pressure of evils, which at length exhausts the soul or makes it callous, alike preventing it from suffering and the face from showing signs; an expression unanalysable in part, and unutterable, but painful to contemplate. Such on the faces of the males; while on that of the females the like, with a further careworn and subdued expression, which mostly has conquered the other. And no marvel, for the hand of Fate has been still more heavy on them than on the men—on them devolving chiefly the burden of bearing and rearing children under such terrible terms and impossible conditions. Truly terrible things exist—terrible sights are to be seen in these dark regions below the daylight—in our so-called civilised society.

'It was always so,' you say. Yes, but never so much so, never so bad as now for the hopeless lowest class. 'Indeed, and have we not prodigiously improved during the last hundred years, and at an increasing rate of progress during the past fifty years? Have not our paupers decreased in numbers, while our population has nearly doubled, while even the lowest paid labourer is now better paid?' All true, we reply, but the lot of these unfortunate lowest ones—the social pariahs, the lack-lands and lack-alls—has not improved. It is a question indeed whether the *proportion* of this indefinite multitude to the whole population has increased[1]—probably it has not increased. Most probably our million paupers, and the indefinite two or three or four millions on the fringe of pauperism, are not so large a fraction of the whole as formerly existed. But, numbers apart, it is certain that the lot of these is in general no better than formerly. It is so bad and vile that it could never have been worse at any time, either as respects food, housing, or clothing. But in one way their case is now worse than at any former time. It is worse by comparison with the classes above; for whilst all these are improving in fortune, are rising higher and ever higher, they alone do not rise, they alone are at the lowest, are pinned to the earth prostrate, for ever fallen and incapable of stirring. They are at the lowest, can be pressed no lower without being pushed out of existence, while their wretched children, born in increasing swarms, so long as the parents are outside the workhouse and left to

[1] Some argue that it has—that the less paupers in workhouses only signifies a greater number outside in our army of lack-alls.

their fatal freedom, are doomed to a like hopeless condition; for as yet we have done little to give these children a chance to escape their parents' fate.

Moreover, the inmates of our social pandemonium, instead of getting more accustomed to their penal fires, have become more conscious lately of them. They feel their pangs more keenly than their prototypes of former times, which is equivalent to an increase in their evil condition. They too have 'awoke to self-consciousness'—a serious awakening for those in evil case or place. They have become in our days, almost for the first time in England for centuries, conscious of their sufferings and sorrows, and restless in their chains. Even they have tasted of the tree of knowledge just sufficient to add to their misery. The damned can many of them read and feebly reason, at least they can listen to demagogues; and a dull sense of wrong has been roused in them by their newspapers and demagogues, insomuch that there are those who fear they may one possible day break loose, as has been seen before, and levy war on society, on a different system and scale from their usual petty enterprises, so easily defeated in detail. They may break forth and attack society, especially the richer portion, which they are led to think the cause of their purgatorial sufferings—an alarming possibility, which repeated insurrections of the Paris proletariate, largely reinforced by these same desperate classes, proves might be a very serious thing indeed for a too sure and satisfied society.

The danger is real from dynamitards and other desperadoes in the future; nevertheless, society may hope to defend itself successfully. The real question,

and the pressing question in the meantime, is—Can we do nothing to mitigate the woes and sorrows of this class, perhaps to atone for wrongs it has suffered at society's hands, as well by its neglect as by its institutions?

And to this the answer is—but little for the old or the middle-aged, though something for the generation just come to man's and woman's estate, and something considerable—in fact much—for the children now at school or to be born hereafter, if there be not too many of them; and this perhaps the parents, who soon will pass away, may take as reparation done to themselves.

Nothing for the old but keep them alive till they are summoned hence; for the generation grown a something more can surely be done. Work can be provided and wages for honest work can perhaps be promised. Or if they are too numerous the strong can be assisted to where their work is in demand. At any rate, if society will not do as much by organised effort, it is still society that will suffer; for society must still support our paupers and dangerous classes in or out of workhouses and prisons, and must also support in the long run the idlers and loafers, as well as 'true men' out of work. Society supports the thief or burglar inside or outside the prison, the only difference being that in the latter case he 'helps himself' to the good things, and as liberally as circumstances allow; in the former, society supports him in prison—perhaps at lesser cost; but it would surely be much better than either if he could be set to honest self-supporting work, and if this were assured to him. And in the case of the able-bodied

pauper or semi-pauper, the like holds good, with evidently stronger reasons.

Doubtless it might be urged that under our present system society supports its criminals and paupers and other degraded social types at a minimum cost—a questionable point, considering that it has to pay an army of observation, consisting of police and prison officials, to watch and keep in check the dangerous classes, as well as many more officials to relieve them, all of whom have to be paid; but even if the cynical argument were admitted that the present way is cheapest on the whole, our social system is not in a sound or healthy state, and the actual social situation is not devoid of elements of danger.

Happily for the children and for future generations there are better hopes. Something has been done, and more is being done, to save them from their parents' fate. But it will not be an easy work to accomplish fully. It will be a most difficult work. Nevertheless, it is one that must be resolutely faced, for imperative reasons. An effort must be made by all whom it specially concerns—statesmen, moralists, social reformers, philanthropists, priests—to rescue our rising generation from the social pandemonium, and to abolish it for ever. Apart altogether from the question of the improvement in the condition of labour, or the question of a better distribution of wealth in society generally, this special reproach and shame and danger of our civilisation of which it makes a mockery—this dreadful subterranean region which, with a shudder, society and the better classes have lately got a look into, through pamphlets and

descriptive reports on 'Outcast London' [1] and Reports on the Housing of the Poor, must be reduced first and finally annihilated. Because if not extinguished by society it may one day bring society level with itself, to rise as best it can.

We shall probably never, until science and a higher and wiser morality come in reinforcement of statesmanship, be able to stamp out the imbecile, the sickly, the consumptive, the victim of hereditary disease and taint; and we shall ever have the maimed, the halt, and the blind; but we may hope finally to extirpate the hereditary pauper, the hereditary thief, and both the thief and the pauper not born, but made so by society's wrong arrangements or disorganisation. We shall never all be well off, but we may hope to get rid finally of the able-bodied pauper, the honest man able and willing to work, who can find no work, the woman without resource (who must offer the only commodity she has to sell—her virtue); and we shall be able to save many recruits from falling from the labouring classes just above through insufficient wages into this place of torment and purgatorial penance for the poverty-stricken.

We may hope finally to extirpate pauperism—to much mitigate poverty, drunkenness, disease, and crime; to empty those grim palaces of our pandemonium — the workhouses and the prison, and thereby to annihilate or prevent a world of misery and to stanch a river of human tears. The old worn-out labourer we shall still have with us,

[1] And *Pall Mall Gazette* revelations might have been added, but that the above was written previous to those disclosures; which, however, if even half true, further show how far-reaching is our social problem.

worn out in our service; but we shall hope and we can fancy for him a far other place of refuge than our present terrible House Communities, in which we give final shelter to the worn-out veterans in labour's honourable field of fight. And all this would surely be something considerable, if not quite a full and final solution of our many-sided social problem.

§ 3.

Meantime, how the denizens of these lower regions contrive to live at present is one of the standing marvels of fact and puzzles of science; one of those things that could be plausibly argued impossible, if it were not daily accomplished. Nor do we pretend to solve the mystery, or do more than offer some considerations that may tend to slightly lessen it. The mystery does not refer to the inmates of the 'House Communities,' nor to those in receipt of outdoor relief, for these between them divide the rates, but to the great remaining mass. Doubtless some of them receive assistance from the Charity Organisation Society and from various public charities, voluntary and other, but there still remains a multitude that these resources do not reach. It is certain that these do manage somehow to live. But how is the problem? It is also true that they do not live long, and that they do not live well; but how do they contrive to get their portion of food, clothes, house-shelter, fire, necessary articles of furniture? Very strangely for the most part, and part an utter mystery; as how the multitude of birds and beasts in nature contrive to exist is a kind of mystery.

Partly, however, we know, partly we can surmise. The public and private charity, the fees for casual jobs, messages, and services to the loafer at corner, tavern, and place of public resort; the receipts of the sturdy or crafty mendicant and tramp, of the ballad-singer, of the crossing-sweeper; what is begged, or borrowed, or stolen, or picked up, or fraudulently got. Moreover, they can live on little, and are communistic in their habits, so at least reports the Rev. Mr. Barnett, of Whitechapel. Necessity, which with them kills the old moral virtues, as inapplicable, creates new ones suitable to their situation. They are kind and helpful to each other, are extremely loyal, and probably, strange as it seems, fulfil more than any other class the Christian precept to 'Love one another'—all which, however, brings us but a small way in solving the problem.

How the inmates of the workhouse live, as how the inmates of the prisons live, we do indeed know, as well as their cost of maintenance per head. We know in some measure, too, how the predatory portion of the population live—now in great temporary luxury, when they have made a successful raid on society, now in straits and miseries, now back in their old quarters in prison for a change—a life of excitement without continuous labour, as suits the peculiar nervous temperament of the thief or burglar. The mystery mainly relates to the honest or half-honest poor (for to be wholly honest is for them nearly impossible). We know where they live, and in what dreadful dens! How they live—that is, the horrible way of life they are forced to live—we have also recently learnt from pens that seemed

resolved to penetrate our hearts, if made of penetrable stuff. The Reports of the Commission for Inquiring into the Housing of the Poor have also confirmed and emphasised what we already knew, that they are massed together both sexes in sixes and sevens in small single rooms. We know in a general way how they are clothed—with such clothes as they may get—usually cast-off clothing, to be had cheap or for nothing. And their women-kind contrive to keep the clothes of the male portion by patch or stitch long time together—the latter being long since superior to appearances; the women, poor creatures, getting their own, with much befaded ornaments, in much the same mysterious ways as the males. But the main mystery relates to their food. It is, no doubt, often of the scantiest quantity and mostly of the vilest quality—refuse or adulterated, but how do they manage, we wonder, to get even this without money. A marvel. Still more how do they contrive to get their luxuries—their tobacco and their 'half-quarterns of gin'—for these last never lack, and would seem in fact imperative? Or rather, it seems we should change the order of the question, and ask how first they get their gin and tobacco on their scant money resources; for these luxuries are apparently the true and first necessaries, the things to be had at all costs and before all else, even food, for themselves, their women, or their children. Alas!

A mystery it is, and a mystery in part it must be left, because they *do* contrive to get the gin and tobacco—at least very many of them do—as well as, it is presumed, some food for those dependent on

them. It may just a little diminish the wonder if we remember that some of them get money from the parish, some from friends, a good many from casual jobs of all kinds, some from mendicancy, open or cloaked. And they make a little money go a long way in the matter of food. They buy the cheapest; and some food, happily for them, is very cheap. Then they pay little for such simple shelter as they get, far below the rent paid by labourers for their poor lodgings. They have their clothes practically for nothing—not being proud. Very little furniture completes their household outfit; and so in various open or occult ways they work the daily miracle of living on little or nothing-at-all per week. But a miracle done once can be easily repeated often, and so they manage with a houseful equally as for one. Thus, then, we may reduce the mystery somewhat in amount, though we must confess that, after all, a considerable something still remains for future scientific research and explanation in this remarkable province of natural history in its human domain.

We have only further to add that the number of the class is great, and that their total portion, though small, it is almost impossible to calculate.

§ 4.

But in the following case, representative of many, the veil of mystery which shrouds their means of life is for a moment lifted, and we can see in a general way how a certain section of the residuum may levy a benevolent tribute on outsiders, though not the details of the process. A tramp was brought before

the police magistrate of Wandsworth charged with persistent begging to the annoyance of her Majesty's subjects of the neighbourhood. From the evidence it appeared that he was an incorrigible mendicant and vagrant, who revolved in a fixed orbit or beat around Wandsworth, his headquarters, and that he was as successful as incorrigible. The policeman who took him in charge reported a very remarkable speech of this tramp's,—'I will not work. Only fools and horses work. Why should I work, when I can make sixteen shillings a day, and can get my skinful?' A speech this worthy of meditation from more than one point of view.

In the first place, it is evident we have here to do with a philosopher and a man of rigorous logic, whose scheme of a perfect universe excludes all work, at least for wise men. That wise men will not work is his fixed theory, and that he is amongst the wise is clearly implied. But it is the second part of the argument that is so triumphant and decisive in its logic, as well as so instructive for us. 'Why should I work, when I can make sixteen shillings a day without work?' Why, indeed? when he can get almost the wages of a professional man by begging—assuming it to be simple, honest begging, unsupplemented by questionable adjuncts, but allowing him all fair modern development of his calling. Why *should* he do work under the circumstances, if it be disagreeable? Dignity, a philosopher of this high order who goes straight to first principles only laughs at. Like his prototypes in Burns's 'Jolly Beggars' he likes liberty, and thinks it a 'glorious feast'; he also likes money, and both liberty and money he has got (if the police

would but leave him alone); but he rises superior to conventional ethics and notions, and has long seen through their hollowness by native intuition and the several 'illuminations' his experience of life has given him. No use to speak to him of dignity or respectability. No pessimist German philosopher would more peremptorily dismiss such illusions than our illuminated vagrant.

The logic is all on the tramp's side. If he can get plenty of money in this way, why should he not? And why should he not be allowed to get it? Is it not a most unwarrantable interference with the liberty of the subject to prevent him, to persecute, and perhaps send to prison such a sworn son of liberty as the tramp? and, moreover, to prevent him from soliciting money from people who want to be solicited?—The kind old lady, the young one with pity for the poor beggar, the passing philanthropist do good Samaritan, who listens to the ably constructed tale of recent ill-hap or failure to find work. Has he not a right to ask alms? Is it not a free gift on the part of the givers? Is not his sixteen shillings a day —unlike the poor rates—levied only on those who wish to give—the most defensible of all tributes? And, finally, are not his clients as much blessed in the exercise of charitable feelings and kindly sympathies, as he in receipt of the money? On all grounds, then, why should he be interfered with?

Alas! for our philosopher-tramp, the world is not ruled by logic, as he probably knows, and its working ethics are somewhat shaky as well. The only answer to our friend is an illogical one. The tramp must be put down because, in the opinion of the magistrate,

the type is dangerous, and breeds fast if not severely discouraged. On speculative grounds the tramp would have had an easy victory, but the magistrate, declining dialectics, represents a general policy of repression to vagrant mendicants, and so the philosopher gets a term of imprisonment.

But the case is more suggestive in another aspect. Sixteen shillings a day, to say nothing of food! Here is another mystery as to details, though a solid fact. How does he manage to get it? Truly this is a man of genius in his art, as well as a master in logic. If he would but communicate his 'method' to others, what an ameliorator of his class he would be! Probably he will not do so. Probably, like the secrets of genius generally, they are incommunicable by the possessor, or if not, could only be made use of by kindred genius. But the remarkable thing is, that in such an unlikely field of enterprise such a harvest is to be reaped, even by a man of genius. Who would have thought it! however skilful the fable or pitiful the face and tone, however threatening at times to old ladies the look? However, it suggests the consolatory reflection that the mendicant class in its many varieties may after all fare better than we supposed, and that the pains of the social Inferno, as respects a considerable section of sufferers, are less fierce than we believed—a conclusion which, though figures are wanting on the point, we would be glad to believe, although, at the same time, it suggests the further painful conclusion that the worst sufferers of all in the abyss are the honest and retiring poor, who cannot steal, and who are ashamed to beg.

CHAPTER VII.

FIGURES AND CONCLUSIONS.

§ 1.

WE may here offer some figures which, though there is a margin of uncertainty in regard to some of them, are sufficiently accurate to point our moral, and to serve as a basis for such conclusions as we shall draw from them.

First, we are a very rich nation, the richest in the world, the United States perhaps excepted; our annual income being set down by those most versed in statistical calculations at not less than 1,200,000,000*l.*; that is, the incomes of all classes when added up amount to this sum, without deducting taxes, imperial or local.

Of this amount the landlords of the United Kingdom receive something like 120,000,000*l.*, or, roughly, about the tenth part of the total income—a very handsome tithe indeed; and of this tenth (remembering that each class includes grades that shade into each other, the higher but smaller drawing deeper from the total) it is calculated that the first 10,000 on the list, as given in the new Domesday Book for 1874, draw nearly one-half, as they own two-thirds of the land of the United Kingdom, while the members of the

House of Peers have 15,000,000 acres, or more than one-fifth of the total acreage, with a rental, exclusive of very valuable metropolitan property, of about 15,000,000*l.*; that is to say, that some five hundred of the greatest landholders have something like one-eighth the total incomes of the whole landed interest.

The clergy of the Established Church divide from five to six millions annually amongst some 20,000 of their body;[1] and perhaps the clergy of the different dissenting bodies have allocated to them voluntarily by their flocks a revenue of from one-half to two-thirds as much, to be divided amongst about an equal number.

The share falling to the great middle class, both its working and idling portions, and including the capitalist of all varieties directly engaged in any trade or business, the professional classes of all sorts except the clergy, and the interest-receiving class, and even a small number of the superior and skilled artisans with incomes over 150*l.* a year, may amount to 400 millions, or one-third part of the whole. This is the total, as given from the returns connected with the collection of the income tax for 1884, and it may be noted that the income of the middle class has steadily increased up to the fatal year 1875, which marks the high-water line of English incomes, since which year, from depression of trade or other causes, it has remained stationary under each Schedule—B, C, D, and E,—a serious fact, especially if it be interpreted

[1] The Bishop of Durham, at the Church Congress, 1884, estimated the income of the Church at 5,000,000*l.*, the number of the clergy as above given; but there is reason to think the income is somewhat underestimated.

as likely to continue. It would not necessarily mean the stationary state dreaded by the old economists of the school of Adam Smith, because capital may still be increasing, but it would mark a stationary state of profits, which would be nearly as bad for the middle class.

The share of the manual labourers, skilled and unskilled, productive and unproductive, including agricultural labourers, artisans, miners, factory hands, domestics, male and female, carriers of all sorts—from the sailor to the railway official and drayman—small shopkeepers and the assistants in the large shops and warerooms, has been variously estimated by experts in figures at from 350 to 500 millions. Perhaps 400 would be the safest estimate, though the figures will vary according to the interpretation we put on the word 'labourer.' Of course under any definition skilled labourers, such as engineers, watchmakers, opticians, workers in jewelry, must be included, so that some included above in the middle class should be transferred to this. But taking all into consideration we may estimate the income of employed labour at 400 millions, or one-third, so that these two great classes, between whom in fact largely lies the struggle for a different distribution, would seem each to have secured about equal amounts, or each one-third.

But there is a class included with landlords in the returns—the owners of house property and tenements—who draw a large income of perhaps 70 to 80 millions; and if this be reckoned with the middle class the income of the latter will be considerably raised. But the thing really significant about these last figures is the rather rough conclusion that with nearly equal

incomes the working classes are probably fifteen times as numerous as the middle classes.

Beneath the regularly paid labourers there are the casually employed—a very great multitude—whose income it would be difficult to estimate, also the police, the soldiers, sailors of the navy, &c., the pay of all which might account for another 50 millions.

Finally, there are in England and Wales some 800,000 paupers, indoor and outdoor, in receipt of relief to the amount of eight millions annually, to which, if we add the Irish and Scotch paupers, we should have a total of 1,250,000 at an expense of less than 10 millions. Now, as to this mass, it is to be remarked that the million odd only represents those in the pauper gulf on a given day, while according to the best authorities this number should be more than multiplied by two to get the number in receipt of relief in a given year. For pauperism rather resembles a lake through which flows a river, so that its constituent mass is never the same at intervals, or perhaps we might rather liken the pauper gulf to a maelstrom, round and round which the lower poor are whirled before they are finally sucked down the funnel. There are very many on the whirl, who contrive for a long time to keep out, but who are certain, like our old agricultural labourers, to be engulfed at last, unless they happen to have grown-up children to save them when past their labour—a consideration forgotten too much by our Malthusian economists. So that finally our actual estimate for a given day only shows us who are then sunk in the pool. To-day there are 1 in 30, during the year 1 in 15; but take thirty years, take a generation, and the chances are

that 1 in every 5 or 6 will during their lifetime have been baptised at least once in the pool—a conclusion leaving little room as yet for jubilant figures or rose-tinted inferences from them, after the manner of some of our optimistic statisticians.

The State takes out of the 1,200,000,000*l.* by taxation, imperial and local, about 150,000,000*l.*, viz., close on 90 millions for imperial and over 60 for local purposes. No doubt a good deal of this goes back again and so forms a part of the 1,200 millions—that part, namely, which is paid in salaries to public servants or officials, or in dividends to the public creditor or fundholder, who has lent his money to the State or to the municipal corporations. A large part is also spent on the army, the navy, the police, and in the payment of labourers, so that a very considerable portion of the taxes, perhaps one-half, is taken from the general incomes to be re-distributed, and to form the incomes of other people.

§ 2.

Such then, finally, is something like the actual distribution of wealth amongst the several classes and callings in our society, as made under existing conditions—in particular, under the laws of Inheritance, the institution of Property, and Freedom of Contract, which regulate the greater part of the distribution. It will have been seen that where the labourer is employed by a capitalist his reward does bear some but often too small a proportion to the money value of the work done, while the latter moves up or down with varying competition and demand. Where he sells merely services his wages bear but little proportion

to their real value, or the value in use. He may be well or ill paid. The value here for the worker is what the service will fetch. It is a matter of chance. The total actual distribution corresponds to no rule of justice or reason. It is not 'to each according to his capacities,' nor to each according to his actual turn-out. It is not a system of payment by results. It is to most what he can get under a contract with an employer or a purchaser, to some what he has been lucky enough to have given to him without labour by the accident of birth or other luck. It is very often to each according to his cunning or unscrupulousness—much to him that has much, little to him that is over-honest or squeamish: for assuredly in the industrial world there is a 'too-much' in the virtues which will not profit the possessor.

The distribution follows causes, certainly: everything does—even what happens by chance, as it is called. Some of the causes are historical. The share of the landlord, for example, depends on matters of history, which might have been different; some being matters of pure chance. Some causes turn on principles of human nature, evil as well as good and indifferent. But it is not a necessary distribution; that is an important truth to remember. It does not result from natural laws, which will operate like the laws of the physical world, whatever men do, and to which we must reconcile ourselves as best we may. The actual distribution is quite alterable—by legislation, by improvement in morals, by enlightenment and elevation in opinion—even by enlightenment in egoism—which, in its natural grasping condition, its rude, unregenerate state, has been hitherto certainly

a very constant and general factor in determining the division of the world's goods. This egoism may, however, assume many forms, even though it be a constant factor and presence in some form. It may bow to reason, or fear, or compulsion—it may even take the complexion of an angel of light by incorporating human love and charity into itself, since there is no reason why our 'ego' should not gratify itself through benevolence and good-will to others. At present the egoism of the master has been met by united egoism of his men, and the result through the interaction of the antagonist egoisms has been a rise of wages, though perhaps not to such an extent as the impartial outsider could wish.

Under our social and industrial system, which has been an evolution as respects the division of wealth at least, neither of reason, nor justice, nor yet of necessity, but of a compound of chance and egoism, including fraud, and force, and oppression, as well as rationality and foresight—some of the functions are overpaid, some underpaid, some, however important, hardly at all paid. One class—the landlords—does scarcely any work, or need do none, and receives enormous, astounding pay. Another class—the clergy—do not do the work suited to our changed circumstances, or through their doctrines they do harmful work.

The capitalist class engaged in production gets too much; for however we regard it, it is impossible to convince anyone that he who gets his 50,000*l.* a year has conferred value on his country or mankind at all equal to this sum. We can explain how he now gets the 50,000*l.* He gets it through his

mass of accumulated capital. But how did he get this mass? Do not ask too curiously. Chance, *laissez-faire*, long working hours, no trade unions, exceptional astuteness, the conquest of his rivals by underselling, unshrinking egoism, and his own dash and enterprise, as we shall see more clearly subsequently, all combined to give him or his father this capital, from which he now, with so little trouble, draws his princely revenue of 50,000*l.* a year, while his hands, who a hundred years ago would have been his equals, draw 50*l.*, or the one-thousandth of his share. The difficulty is how to make him part with more of it to his hands and to his countrymen generally, assuming that he will continue amongst us as at present.

The distributing class, whose shops and stores fill our mile-long streets in the great cities, and who step in—sometimes a graduated series of them—between producers and consumers to swell the price on the latter are too many in numbers. They get only ordinary profits individually, and sometimes hardly so much; but so great is their number that they divide a very great amount of the annual wealth amongst them, and, if they were fewer, the consumers, and especially the poorer sort of consumers, would get both cheaper and better goods—a truth which, as we have seen, the co-operative stores and the great wholesale houses of the great capitalist have taught us, to their own profit as well as that of the public; and the only thing to be regretted is that, in the latter case, the great individual distributing capitalist extinguishes several small independent shopkeepers or small tradesmen, as the great producing capitalist destroyed the petty manufacturers in times

past. There is this to be said on the other side, that the extinction of the small distributor is to the gain of all, and particularly of the labouring poor—to the gain of all except himself; and let us hope his successful rival will accord him good terms in his service, if he can employ him.

The labouring classes, speaking generally, are underpaid, in addition to having long and monotonous labour from year's end to year's end, often dangerous to life and limb. We have, however, seen that their lot has improved considerably during the past forty years from a variety of causes, and their condition has never been more hopeful than it is at the present; because, in addition to the protection of their Trades' Unions and their Benefit Societies, and the cheap or free education for their children, they have recently got as regards one large and depressed section of their body a most important means of improving their lot through the extended suffrage, by which, unless they allow themselves to be cheated out of the power it will give them as a class, or deceived as to their own true interest, they may greatly advance and further protect their interests in future.

Excepting voluntary benefactions, the millions which go to support a State Church should be distributed in a different way. It should be devoted in part to education, to the founding of prizes and bursaries in connection with Primary and Intermediate Schools, to be reserved for the children of capacity of the lower and lower-middle classes (the middle class, in its higher sections, having already got its share of educational funds, and something more). This would equalise a little the start in the race for the poor and

rich—only a little; but it would do more than any other single thing to remove the discontents of the democracy, and the advantage, necessary but hardly fair, that wealth confers on the children of the rich. Parts of the property should also be devoted to the establishment of new chairs and lectureships in colleges and universities, to be filled by the most promising young men from whatever class, in the several branches of science or philosophy or scholarship. Perhaps some of it should be allotted as pensions to the real bishops and archbishops of our time, to the leaders of thought on religion, morals, life, and society; but only *after* they had decisively proved their leadership and delivered the best part of their message, lest the pension should act as a bribe to induce them to speak other than the truth as it is in them. In this way, there would be some slight amends made to the class—not large certainly—of the prophets whom the priests, by tests and subscriptions meant to exclude, at present keep from their portion without doing their offices—a class which modern society does not stone or slay, but only leaves to starve, while the next generation decorate the tombs and raise the statues of those who barely survived.

The land should be specially taxed, and all future increase of rent should go to the State, unless where it results from money spent on improvements by the owner. That the owner should not merely be enabled to get a constantly increasing fraction of the annual landed produce (which, though the past few years have shown exceptions to it, is the general rule), owing to the increased demand of an increasing population for food, but also an increasing revenue from ground

rents, wherever the great towns always growing greater spread over his land, is not in accordance with reason or justice. This increase at least should belong to the State. It is a windfall of civilisation added to men who already have too much. They should almost hasten to surrender it, to propitiate the gods for their too great good fortune, and to propitiate the envy of the 'hungry people, like a lion drawing nigher.' Let the State take, but better for them to give; let them say voluntarily, 'we really feel all this should not go to us.' But no order of men are accustomed to do such things. Human nature—at least class human nature—has never been known to act thus. True, very true; and yet even on grounds of enlightened egoism the idea might be worth meditating on, nay, it is conceivable some might even act on it. For some, strange as it appears, do not care to have wealth heaped on them mountain high that they did nothing for. 'What have I done for all this heavy load of favours, too burdensome almost, that a grateful country or a strange destiny heaps on me?'—one can fancy must be the secret thought of some. And then remember, landlords have before now been compelled to give over part of their territory to the nation. In France, for example, they had to part with all, because in the day of their power they would yield nothing, but rather tried to get ever more land and more exemptions; and as ours tried up to the time of the corn-laws, and as many of them would try again apparently if it were possible.

As to the Church, there is perhaps one chance left for her, one course yet open, by accepting which

she might not only save her endowments, but might even—who knows?—recover in large measure her hold on the lapsed masses of labour, might even, for a considerable time yet, discharge a real function required in our time in return for her pay.

Let her become truly the Church of Christ by taking up the earthly work at which He chiefly aimed; let her become the Church of the people; become a militant as well as a national church, fighting the cause of the poor, the needy, and the oppressed; become what she originally was in a large part, and the tradition of which she has never wholly lost; become what Lammenais, the great Catholic priest, affirms the Church ought to be in accordance with the will of the Founder of Christianity, and what she must yet be if His work is not to fail finally in the earth; become what priests and pastors in both the Catholic and Reformed Lutheran Churches are trying to make their respective churches to-day in Germany.

Let her do this, and at the same time press more the moral and social, less the dogmatic side of Christianity—the doubtful and the perishable side, as the history of the Churches proves. Let her individual members urge less confidently, and rather as possibilities than certainties, their special schemes of salvation in another life for men, who, moreover, in these latter days have grown particularly anxious about their salvation in this life as the first thing to be secured, that they may not miss the possibilities of the one world they are sure of. Let her be content to draw less express pictures of men's condition hereafter, both as respects rewards and punishments—

especially the latter; her past teaching on this point being both a stumbling-block to the moral sense, and, furthermore, in doubtful conformity with the meaning of Christ's words, the general tenor of His teaching, or the professed purpose of His mission. Let her remember that Moses' scheme of salvation only embraced this life, and largely consisted in bringing in justice and preventing oppression; remember that what God commanded was to 'do justly and love mercy;' and that what Isaiah and the greater prophets preached was morality and social justice or righteousness in the days when the other prophets and the princes and priests and rulers of Judah had altogether gone astray, and ever in the same direction, by the oppression of their poorer brethren.

Let her now take to works, instead of expatiating on faith, its mysteries and its efficacies—to the work that Christ had at heart, and that all the true prophets had at heart—the work that they were sent to accomplish—to hasten the kingdom of heaven, to bring in the reign of righteousness, which means and ever meant a *régime* of social justice, in which the sovereign of whatever kind 'shall reign and prosper, and execute judgment and righteousness on the earth.'

How much indeed the Church has misconceived her mission or forgotten her function; how she has gone clean away for the most part from this work, and generally taken sides with the powerful and the princes of the world; how she has perverted the words of Christ, and made them of none effect; how she has assisted to bring about the reverse of all that He desired as to the earthly condition of men, will

one day cause astonishment, as to-day it is one cause of alarm in our actual social and moral situation. Nevertheless, she is perhaps awakening to the ominous signs of the times. She gives signs of stirring even at this late hour of the day. If she does truly awaken and bestir herself in the right way, her day of grace may not be past—perhaps. She might save herself. She might save her revenues—if that could be supposed to be her chief aim. Much more, she might aid largely in restoring our sick society to a sound and pristine health, might help to purge it from the foul and perilous stuff that weighs upon the heart. There is something to be hoped; but also much to be apprehended, because what is asked from her is hard to do.

'Hard, indeed,' some will say, 'or rather impossible.' The Church, to save herself, is to give up her dogmas and doctrines; is, in fact, to cease to be a church, and become an association for the promotion of virtue with special party politics—a church without a divine revelation, a church forgetful of her divine origin and foundation. If she must throw one by one her doctrines to stay for a moment the advancing wolves of sceptics and critics, she is no true church. If she cannot maintain the articles of her belief what right has she to call herself a church, or how does she differ from a secular society? If there were no miracles, if Christ did not rise from the dead and reveal the resurrection which He taught to His Church, founded and appointed eternally by Him, what distinctive character would she have, what special function would be left for her to fill? Better, if all this be so, to admit that her mission finished, her *raison*

d'être has ceased; that the gates of hell have finally prevailed.

What to say to this view? Only so much here that those who argue thus are probably convinced and honest men, but they are hardly enlightened or catholic Churchmen to rest their case on miracles, and the assured possession of a complete body of infallible doctrine. For if the issue be thus put, the spirit of the age is against the mere material as distinguished from the moral miracle, and modern criticism, within as well as outside the Church, is against the claim to an exclusive possession of a complete and absolutely true system of doctrine. Both the miracle and the doctrinal monopoly will with time be generally disallowed, and then if a useful teaching and ministering function be not found, based on the lines of Christ's moral teaching and example, the fate of the Church is fixed, so far as the retention of the property of the State is concerned. This will be taken from her and otherwise apportioned, in the interests both of the greater number and of spiritual interests that the Church, by such conception of her position and profession of doctrine, cannot undertake.

May the Church meditate on these things, and consider them in her Congresses; and the sooner the better. For truly trying and critical times are nearing, as well for the Church if she will not fulfil a real national function in return for her wages, as for other and secular institutions, so far as they are founded on wrong.

BOOK III.

PROPERTY AND INEQUALITY OF WEALTH

CHAPTER I.

MODERN INEQUALITY AND THE RISE OF THE CAPITALIST.

§ 1.

In inquiring into the causes of poverty in any society it is necessary to distinguish between poverty and pauperism, or utter want and destitution. The difference is merely in degree. Pauperism is the extreme point of poverty, the point at which the individual perishes if voluntary or public charity does not come to his rescue. Pauperism is the state of having nothing; poverty, the state in which one has not enough for subsistence on the lowest recognised standard of living. Such at least is the poverty which social philosophy has to deal with. In another sense poverty is insufficiency of means to procure the recognised necessaries for one's rank or station in society, in which sense it may afflict a nobleman or even a sovereign ruler.

This distinction between poverty—meaning the poverty of the poor—and pauperism, or the extremity of want, it is important to notice, because poverty—and even the poverty of all classes—is possible under every conceivable social system, while pauperism is only possible under a system of private property, and much of it, together with much poverty falling short

of it in the lower labouring classes, is quite compatible with great riches in the society regarded as a whole.

Under a communistic system there could be no pauperism: where all share all, there could be none whose portion was zero, so long at least as there was anything to divide. There might be great diffused poverty, and even general privation as regards many things; but the necessaries of life which, under communism, must be first got before labour for luxuries is allowed, would be assured to all, and would be shared equally amongst all. Should there, however, be any stint in them, all would suffer, and would suffer equally, just as in a boat from shipwreck in open sea, and sometimes in a sieged town, where there is a sort of reversion to communism, the provisions are doled out to all equally, or at least on some supposed principle of equitable distribution. And the like holds of the different communities, religious or other, that history shows us. They have frequently been poor; but there has been no inequality, or none worth considering, in the re-partition of goods, and there has been no pauperism. There have been none of our mournful company of lack-alls, none having nothing, whilst anything was produced or acquired for all. Nor has there been crime in the form of theft or robbery—two immemorial resources of the portionless ones to get some share under a system of private ownership.

But once admit and instal the principle of private property—that individuals under certain conditions of acquisition prescribed by law may become individual owners of things, of goods and land, to have and to

hold them, to do as they please with them, in particular to pass them on to their children, or if they choose, to one chiefly amongst their children—then pauperism first becomes possible, as well as all the insensible degrees of poverty short of it. It first becomes possible, and it soon becomes a fact, demonstrably certain if we had not evidence universal for it. It is certain that if all started with equal shares, but unequal and unlike dispositions and faculties, that some will very shortly have nothing, some very little, a good many perhaps a sufficiency, and a comparative few an abundance, far beyond their utmost needs or legitimate wants. If protected in the possession of this superflux by the power of the State, or even by a strong general sentiment, they can compel some of the destitute ones to do whatever they please upon their terms, or suffer starvation; whilst the remainder, unless charity, voluntary or State-compelled, steps in to their rescue, must literally starve—one other resource excepted.

Yes, there is one other resource under various forms for some of them. They may make war, organised or private, upon society, and chiefly on the rich. They may rob or steal; singly, as they always do, or in bands, as they did in the Middle Ages. Finally, they may rise in terrible insurrection, along with the poorer workers. And this they have frequently done in the history of our country, as in that of others. But these risings have been usually suppressed by their rich. The permanent resort of the bolder ones is theft and robbery, and of the less bold and of the used-up, public charity. And these two things, pauperism and crime in the form of theft and

robbery, ever accompany private property as its dark and sinister shadow.

Private property, as we have said, tends immediately and necessarily to inequality, and unless the tendency is constantly met, either by checks devised by individuals and classes in their own interest, or by laws or institutions having a counter aim, it tends to an ever greater inequality, to a massing and concentration of wealth in the hands of a few, and to the stripping of the many, with a consequent reduction of them to slavery of one other kind.

Divide all things equally to-morrow—all wealth, movable and immovable—and in twenty-four hours the signs of inequality would again have shown themselves; in a week a considerable amount of inequality would exist, while in a few years or a single generation there would be nearly as great inequality as ever —if not in the divisions of land, at least in that of all other forms of property; so long as existing laws, and existing feelings and opinions, remained unaltered. There are facts in human nature, in the nature of things, and very particularly in connection with chance and the large part it plays, and must ever play, in human affairs, that would bring this about. One man is industrious and provident, another indolent and averse to labour; the first will increase, the other will lessen his portion. One is acquisitive, grasping, and penurious—another generous, perhaps thoughtless and improvident. The first will enlarge his patrimony and goods at both ends, by getting and by not giving; the other, however more amiable in character, is not the man for this *régime*, and he will impoverish himself. The idle and improvident will

come to penury, and will have to part with his property to pay his debts. The spendthrift will waste his substance in riotous living. Moreover, men will buy and sell, and one will often overreach another. One will rob another by a skilful fraud as yet unthought of by the law, which ever lags behind the advances in the science of fraud, repressing only its coarser and clumsier forms. Or, on a more comprehensive scale, one whole class will rise above the others, and rob them by getting control of the State, where the will of the monarch does not exist to check them, or even where it exists but will not or cannot check them; and then, by making laws intended to benefit itself at the expense of other classes. Chance, too, plays its part. This man gets sick or meets with sudden loss, while that one falls in for an unexpected inheritance. This one's adventure turns out prosperously, the vessels, with this merchant's hopes on board, are wrecked. And most of all war and its chances made and unmade men's fortunes in the past. In all these and in a hundred other ways, constantly increasing in modern times, inequalities of wealth are produced. And these inequalities may extend from zero to the fortune of a Crassus in Roman times, of a W. H. Vanderbilt, a Silver King, or a Duke of Westminster in our own, the peer being credited with half a million per annum, how much more the two former possess being unknown, but great.

§ 2.

Omitting that portion of the have-nots who form the pauper and criminal classes, and considering the portion who are disposed to labour; if these are

numerous and are only able to render unskilled or low-skilled or rude labour, they will be compelled to accept any terms the wealthier classes may choose to dictate—even to the extent of slavery, if the force of the State is on the side of the rich, and they are sufficiently merciless to exact the uttermost. In former ages and in the earlier stages of the history of most nations, including our own, they usually exacted slavery; and though in modified, perhaps improved, form they still exact it—only it is now so disguised, that without reflection and attention called to the fact, they are scarcely conscious of it.

It is, in fact, one of the ugly sides of our human nature, and one which gives a colour to the pessimist's picture of man, and prophesy that the species will never come to good, that men in all ages down to our own—in the days of the good Aurelius as in our age of philanthropy—have reduced their needy brother to slavery or serfdom, and treated him with contumely to boot, because he was in the slave condition, if they had the advantage over him which the possession of the necessary means of subsistence gives. It seems, in fact, to have required the most noble and exalted human nature under highest past civilisations to think of acting otherwise. Ordinary human nature, especially when acting in classes, has never been above the temptation—a fact which does not speak to its credit, and of which the cynic might make much.

Slavery has always existed, and it exists even now in our midst in various forms, though tempered as regards its harsher and more disagreeable features, in conformity with the general spirit of improvement in things. The essential thing still exists, which is to

coerce the will and command the labour of another for your own advantage, so that his life and labour are spent in your service for the smallest return ; to exact the utmost work for the lowest wages, while at the same time despising the worker and regarding him as of another and inferior order of being, only fit for the labour. The slave is not bought or sold, nor are there visible or tangible chains or lash ; but there are invisible ones far more potent to keep the modern serf to his daily task, inasmuch as for him who is emancipated a more terrible fate is reserved. He who is at perfect freedom and has no master is also without an employer, and he who has no employment amongst the labouring classes is perilously suspended above the social abyss which hides the host without hope called the ' social residuum,' into which to once fall is to be lost for life.

In one respect the condition of the modern serf, agricultural or other, is worse than the slave under the Romans, especially under the later improvements in his lot. The Roman slave had his *peculium*, after his support by his master ; he might even in some cases be his master's heir. But the lowest grade of our labourers are worked all day at minimum wages, and cannot therefore have any peculium, as they have nothing over—neither wages nor time. In another way, too, their condition contrasts unfavourably with the slave of former times, even with the serf of the Middle Ages. The slave past his labour was supported by his master. At present, under the law of self-interest, his employer discards him the moment he can no longer be worked with a profit, even with average profits. There is no relation recognised on

the side of the employer save that of pecuniary advantage; and after the time when it is no longer his advantage to employ him, he finds a younger hand to replace him. The former hand must then become a pensioner on the parish or on his children, if such he have, unless he has been able to save, which by conditions of the problem he has not.

This slavery, however, is only for the lowest class of labourers. If the services offered are in much request, and are the result of special knowledge and training more or less expensive; if, that is to say, the parents of those who offer these skilled services have not been amongst the wholly unpropertied class, their children, if not too numerous, will be able to get good wages without the loss of independence, will feel themselves free, and be able to give their children the like advantages. Still more, if the services are of the sort regarded as dignified and honourable like those of the professions, will those who can render them be able, if their numbers are sufficiently few, to obtain from the possessors of the larger masses of land or money, as well as the less rich, a considerable share without a loss of dignity or independence.

And in both these and other ways to be noticed further on the tendency to inequality in our time is checked by the interposition of a large and important class, perhaps we should say a series of social layers, between the gross and never-so-divergent extremes of rich and poor.

§ 3.

The natural tendency to inequality inherent in the principle of private property received a sudden and extraordinary development in England, a little more than a century ago, by a series of remarkable mechanical inventions and scientific discoveries, which at the same time revolutionised our whole industrial and social economy, and inaugurated a wholly new world. The great event of the eighteenth century, as we can now see, was the awakening of this inventive spirit in man, which had slumbered so long, there having been no improvements made for ages in any of the processes of manufactures[1] or in the traditional machines and appliances. There is no doubt that this spirit of invention was connected with the discoveries in physical science, but also no doubt that it was in part one of the happy gifts from the Unknown—a fresh expansion and stirring of the human spirit, after long sleep, like that which it experienced in the sixteenth and seventeenth centuries in regard to religious and philosophical matters. Once stirred, however, this spirit of invention and discovery has never ceased, but, on the contrary, has multiplied its efforts in a hundred new directions, and multiplied a hundredfold man's power over nature; has enormously increased wealth, has created new pleasures, supplied old wants in simple ways, and greatly enlarged the means, material, moral, and mental, of human happiness.

[1] Adam Smith says there had been no improvement in the machinery of the 'clothing manufacture' for a century, and but three from the time of Edward the Fourth—that is, during three centuries.

The impulse then started was the most important thing for our race since the introduction of Christianity, though it is much to be doubted whether its results were not for two generations disastrous to the working classes of this and other civilised countries, whose condition it reduced from independence and security to one of great uncertainty, hard and monotonous labour, and dependence on the employment of another for bread.

The first important inventions were those of Arkwright and Hargreaves, which led to the introduction of new machinery, far more effective than the simple methods and appliances before in use for spinning and weaving, and applicable in the different textile industries of cotton, woollen and linen, which they speedily revolutionised by the power they gave of more rapid production.

Now the power of larger production implies a power of selling more cheaply, because the return to the same amount of labour and expense is greatly increased. There is a greater produce for the same money outlay, a greater proportionate produce for the same advances in wages and other expenses by the new method than by the old; or, to put it differently, the new will in a shorter time produce as much as the old, and it will thus give the power of underselling, and thereby a monopoly of the market. Even if the capital required is so very great that the power of selling more cheaply at remunerative profits is not at first possible, yet by the rapid production, supposing the necessary capital, the large producers may secure the monopoly of the market by slightly underselling, until the old small producers

are driven from the field—according to the received practices of business competition. And then the price may be raised to give fair profits, and perhaps something more. But usually in the large production the power of underselling is compatible with good, and perhaps with great, profits, as it certainly was after the improvements of Hargreaves, Arkwright, and Crompton.

The new machinery in any case required a large outlay of capital, and the additional hands which the larger system implies will require more capital with which to pay them, and this capital it was first necessary to get. How is it to be got? How is the petty manufacturer to transform himself into a capitalist? A hundred years ago there were no capitalist employers, though there were rich merchants who had capital. The large capitalist was a product of the industrial *régime* about to set in. But how was he produced? How did he begin to be, and how did he grow? The answer is that he grew by degrees, did not develop suddenly into his present gigantic proportions. And he got help. Banks had been some time in existence; their functions were growing, and they immensely facilitated the infant capitalists whose gains they expected to share. It was a mutual service the banker and the capitalist were to render each other, and the new enterprise being demonstrated to be promising and security found, the necessary capital was got for the likely masters, and once got, and the new machinery set up, the final victory was only a question of time and patience. It was a question of time, during which the large producer could always afford to undersell

the small producer by the ruder process. The latter fought a losing battle, till finally he was either ruined pecuniarily and driven to other work for which he was untrained, or compelled to surrender and offer his services to the conquering capitalist. In many cases he chose the latter as the lesser evil, because he could not readily turn to a new employment, and because his successful rival, who, at the time, needed additional hands, and those the most practised, in dealing with his raw material, would be disposed on grounds of his own interest, if not of generosity, to offer fair terms to his vanquished foe, who was probably also his neighbour and acquaintance. His acquired skill and knowledge would be valuable, and accordingly he entered the service of his late rival —not without a pang. In like manner his apprentices took service under the capitalist. The former became foreman, the latter 'a hand,' in the new industrial hierarchy; both probably being as well off pecuniarily as before, but both having lost a precious thing—their former independence.

A general process, somewhat resembling the 'Commendation' at the early stages of the feudal system, set in, and the final result of the whole was the extinction of the small independent producer, the petty master and manufacturer, who passed away as a separate social type, just as the yeoman or small landed proprietor passed away. Our industrial economy by degrees settled into its present all but universal form of employer and employed—the latter regimented and directed by smaller officers and foremen, under orders from the industrial chief, who is also the capitalist.

§ 4.

The tendency to ever larger production received another and a still greater development some forty or fifty years ago by the general introduction of steam power, by which huge engines are enabled to move hundreds of machines at the same time, which now execute the greater part of the processes instead of human hands, and which work far more expeditiously and turn out an immensely greater product in a given time.

The total result of the application of steam power and ever improving machinery in all departments of industry has been a complete and, if we consider the shortness of the time since its introduction, almost a startling revolution in our whole industrial and social economy, and a revolution having momentous moral and social consequences, reaching far beyond the sphere of labour, however important they may be there.

In the industrial field, to begin with, there is now in all branches of industry, and especially in its large centres, the system of production on the great scale. Nor is the large system confined merely to production. It extends to the labour of mining and of distribution, which are not usually considered as productive labour. Hundreds of hands are employed in the great distributing houses and in mines, as well as in factories and foundries. But in production, specially, there is a single rich capitalist who employs hundreds, sometimes even thousands, of hands in his special branch of production. In addition to all kinds of

soft goods and hardware, very many things, and parts of things, are now made by machinery which were formerly hand-made, and are now made in great quantities by masses of men employed by the capitalist, instead of by isolated individuals working on their own account as formerly.

The economic results of the new industrial *régime* were most remarkable from the beginning. Production was vastly increased, and the price of all manufactured goods, especially clothes and woven fabrics, was cheapened to the buyer. Exportation was greatly increased, because at the beginning, and for a long time after, we commanded the Continental markets, owing to the start we had got with our new and cheap-producing machinery. Masters made huge fortunes, as did many others after them, or along with them—the banker, the merchant, the shipowner, the shipbuilder. The wages of the operatives were raised, and more were employed. Even women and children were pressed into the service, partly from the demand, partly because their work was often as efficacious as men's and more cheap. As ever increasing machinery was brought in to do work formerly done by human hands, some of these were of course superseded, but after a time found other labour, which in other directions the immensely increased production called forth. Even the general rate of wages in departments outside manufactures, particularly in agricultural labour, locally near, felt the influence through the competition for labour, and rose considerably.

Having triumphed over his rivals at home, the redoubtable capitalist looked abroad for new regions

to conquer, new markets to occupy, new worlds for underselling. He produced more and yet more cottons and woollens—cambrics, calicoes, shirtings, grey and white. He sent them abroad, undersold easily the old producers, going by immemorial rude methods; and drove them to despair, as he had done his rivals, the small producers at home. He undersold them in their own market, spite of adverse duties, and they were without resource, until they learned the secret of their conqueror and adopted the new machinery, and got some of his foremen or intelligent hands to teach them how to work it. All this, however, took time, during which our manufacturers still made their high profits and huge fortunes. Even when the new processes were adopted in Germany, France, Belgium, Austria, he triumphed because of his start, his own unconquerable energy (in some respects it is impossible not to admire him), and the more effective labour of English hands. New and better machinery was continually setting aside the old, and thus ever and anon giving him once again the old advantage over the foreigners, so that he continued to undersell them and to monopolise their markets, until severer tariffs and hostile duties, expressly intended to neutralise his advantage over the home maker, compelled him to forego part of his gains; and at length, after long and obstinate battle, to slowly retire from some of his former markets. Inch by inch he disputed the ground. Even yet he has not been wholly driven out. He shares some of the Continental orders with the home producer, because the hostile tariffs only reduce him to the general level; and the consumer, most unpatriotic in the matter of

purchases, buys in preference our producers' goods, because, prices being equal, he finds them better. Moreover, whenever he is shut out merely because of prohibitive or protective tariffs, that very fact assures him of uncontested superiority over the protecting nation in all neutral markets, where there are no differential duties in favour of other nations, and even sometimes where there are. Here the State that must protect itself clearly cannot compete with us, and so our manufacturers and merchants monopolise the markets of China, India, and South America—new worlds, whose trade with us will increase.

Wherever there are people who want cotton, or linen, or woollen, or lace, or manufactured articles in endless variety in iron, or steel, or brass, or silver; or iron and steel rails, or steam-engines, or machines to make things for themselves—there also our capitalist or his representative will find them, will place his product, and will bear away in return corn or wine, or tea, or sugar, or gold, or silver, or whatever other specialty the country may have. And here our commercial superiority seconds our manufacturing. The enterprise of our merchants, the size and number and excellence of our ships, and the aptitude of our countrymen for a seafaring life, all enable our manufacturers to transport their goods with greatest advantage and with least cost, and so help to assure our industrial victory.

§ 5.

This great economical and industrial revolution, covering roughly the last quarter of the last century

and the first quarter of this (1775–1825), developed a new and very remarkable social type—the capitalist properly so called, or capitalist employer; the man who commands the labour of hundreds, sometimes of thousands of men—frequently of women and girls—who receive weekly wages from him, and by whose labour and the labour of his machinery his raw material is converted into finished goods, by the sale of which he receives back all his advances, together with a handsome annual profit or percentage on all.

Our capitalist, though now grown so great and 'bestriding the narrow world like a Colossus, between whose legs we petty men peep about,' is thus but the creature of yesterday, and in some respects the product of chance. He owes his great position to a series of happy accidents, so far as he was concerned, in regard to which his main merit was that, gifted with the genius of egoism, he was quick to perceive and take advantage of them.

Without the co-operation both of men and things, his sudden rise to fortune would have been impossible. Without the special inventions, constructions, scientific discoveries of particular men—of Arkwright, Hargreaves, Crompton, Watt—together with many similar inferior men, it would have been impossible; as without the later appearance of the like kind of men—the Stephensons, Bessemers, Nasmyths—the recent great accession to his class would have been impossible. Again, without the continued advance, as well as the accumulated results of science and civilisation, which placed at the capitalists' disposal the mechanical and engineering skill requisite to utilise and improve the new inventions, it would have been impossible. Even

without political security, which protects person and property, without the settled social order of his day, in particular without the contemporaneous development of banking, which found funds for the capitalist just when he needed them for his large new enterprises, his first start on his great career would have been impossible. A hundred concurrent conditions were requisite, as well as his own egoistic genius, strenuous energy, and faculty of initiative, in order that he should get his great opportunity, the prompt seizure of which made him the master of the modern industrial world, and the most commanding figure in our society.

He did not then make his position. What he did was to see and to seize when it offered his great and golden opportunity, such as had never before occurred in the history of society or industry, and which, in all human probability, will never again recur on the like grand scale, at least for the elevation of a single class. The story is briefly this. There came a time late in the last century when the small master manufacturer, with a keen eye for a great chance, joined with energy, dash, and perseverance, might become the master of the world for the future, and subject the masses of mankind to his service. This chance our then infant capitalist was prompt to seize. Without the sword, without intrigue, with the Law and the State supporting him and taking his side, and to all outward appearance with advantage to all concerned as well as himself—to his assistant workers, to unemployed labourers, to bankers, to consumers of his goods, to the imperial revenues, to the general public—he saw and conquered. Under

guise of a general benefactor he came, and with universal applause and deference he seated himself on his throne.

He who could first adapt to his services the new mechanical inventions which doubled, quadrupled, multiplied tenfold, the product by the old hand-made processes; he who could most cunningly constrain the new-found natural forces and agencies, or at least who could first get the secret from some inventive genius, would be able to beat and undersell all rivals—would drive away the old producers, might become the monopolist of the industrial field at home, on the Continent, the world over, wherever his product was wanted, might then raise his price tentatively and so far as prudent, might even lower wages wherever hands were more numerous than his needs, or where population increased faster than his own quickly increasing capital; and having during this literally golden age and happy time of long working hours, high prices, and less than present wages, with neither Trades' Unions nor Factory Acts to harass him, made enormous fortunes, he would be able ever after to hold his advantage, to push out by sheer weight of metal (he and a few combined) smaller intruders, and to hand on his capital, name, and connection as an hereditary possession to his children.

Doubtless at the beginning of the industrial revolution, and for a considerable time after, there was a severe struggle. There was both a hopeless struggle against the new system by the unfortunate ones who were compelled to stand by the old till they were starved into surrender, as well as a keen and furious

fight for the occupation of the new fields, for the new and splendid prizes, the El Dorados brought home to manufacturers' doors in Lancashire and Yorkshire, to be conquered and won, without stirring from their private offices, by their brains and energy. This man, the capitalist manufacturer, remained final victor. The many fell; he and his like survived—the fittest found, in the modern species of trial by combat and commercial competition. It was well worth making a great fight for. The prizes at issue were even greater, and the consequences were more momentous than the keen competitors of the time dreamed of. It was nothing less than the supremacy of the world, political and social, as well as industrial—the hegemony of the capitalist class and of the rich man—that was being fought for, little as the combatants were conscious of the fact or had it in contemplation; and from an order a hundred years ago despised and looked down upon by the aristocracy and gentry as petty handicraftsmen, huxters, traders, and shopkeepers, in fifty years was evolved the most powerful class in the State, which filled and swayed the Legislature; while in our time their sons and grandsons have not merely seats in Parliament, but frequently in the House of Peers and in the Cabinet itself.

He triumphed everywhere—at Manchester, at Glasgow, at Birmingham, at Leeds, at Bradford, at Nottingham, at Belfast, at Dundee, at Newcastle, at Sunderland, at Leicester, as well as at London and a hundred lesser places; in the cotton, the woollen, the linen, the lace, the silk, the hardware industries; in the iron and the steel trades; in the

collieries of Northumberland and in the potteries of Staffordshire; in shipbuilding on the Clyde, as on the Wear; in machine-making;—in England, in Scotland, in South Wales, in the North of Ireland. Everywhere the same phenomena, everywhere the same scientific law of evolution repeated itself with unvarying uniformity; and in a brief space of time a conquest more important than the Norman was completed, a system more universal than the feudal was introduced; and a revolution, infinitely more significant than our 'glorious revolution' of 1688, which was merely constitutional, was effected—a revolution at first economical and industrial, but in the sequel political and social, which has changed the whole face of society, the whole relations of men and classes to each other; and which once again, and for perhaps the last time, enabled a few to rise on the shoulders of the many, and reduced the mass of mankind to subjection, but this time to the power of the purse, a power more subtle and all-compelling and unescapable than that of the sword, the ancient and clumsier instrument of subjugation.

§ 6.

Through the progress of mechanical inventions, the product of science and civilisation, but born in the brains of men of inventive genius, our capitalist got his chance; by his egoism and energy, the State at first allowing unlimited freedom of industry and freedom of contract, he was quick to take advantage of it, and he got his capital, which he passed on to his children; and now his son or grandson, by

means of this capital, which, though broken by division, is very great by long investment, is become the most conspicuous, if not the most important, figure in modern society. By his capital, and the need of some of it by the working classes, and of another part of it by the professional, artistic, or literary class, he is become the master of the world.

Not to speak of the amount expended by him on the wages of labour, which may amount to 1,000*l.* or 2,000*l.* a week, he has a net income in the shape of profits, to be spent annually if it so pleases him, of 10,000*l.*, 20,000*l.*, 50,000*l.*, 100,000*l.*—nay, it is even whispered, in a few cases, of 200,000*l.* a year. Gracious goodness! and how does he manage to spend it all? Well, usually he only spends perhaps half of it, adding the remainder to his capital. Even so, how does one of the greater ones manage to spend say 30,000*l.* a year? For the most part, though of different habits and tastes, like the old aristocrat, whose ways he, or rather his wife and family, copy as carefully as they can—in costly entertainments, in sumptuous furniture, in splendid footmen and a retinue of servants, in houses in Town as well as the country, in deer forests in the Highlands. Originally a simple man, in the person of the first founder of the firm or house, the present man has acquired luxurious, and above all ostentatious tastes. For what is wealth, if the splendid outward and visible signs of it are not displayed before dazzled and envious eyes? especially if your main satisfaction is that others have not got so much, and cannot make such a display—a satisfaction that would largely die if others had the same, though you had no less.

Moreover, our capitalist buys pictures and statuary, though with small artistic culture; books rare as well as new, though without ideas for the most part, or literary knowledge, or general cultivation. What matter? He has power of all sorts derived from the power of the purse: power social, power political—in his neighbourhood and in Parliament.

He has at present largely got the control of the local government of the large towns in or near which his factories, mines, or furnaces are situated. By a happy extension of the power of the purse he is enabled not merely to taste power from the direct expenditure of his own money, but also through the subtle influence acquired thereby to get the predominant control over the expenditure of immense revenues made up of contributions of other people's money, in the shape of local rates and taxes. He and his compeers control the expenditure of the local revenues of their respective towns, and have the selection of this or that candidate for the salaried posts. By the judicious spending (it matters not to inquire how) of a little of his own money, he gets a control over much more money, to distribute in this or that direction, and for the benefit of this or that individual, which becomes thus as useful as if it were his own money expended —perhaps extends his influence more, the amount being greater.

He is a magistrate and a deputy-lieutenant for the county, in addition to being chairman of a local board, and a most important member of the municipality of his city or borough. In his former capacity he can punish the evil-doer of his town, thereby adding to the general sense of his power. The civic arm in

the last resort is wielded by him, at least to the extent of the policeman and the prison officials. As the many-acred aristocrat and the squire in the rural districts and country towns, so the capitalist is the magnate of the great towns. The local papers give space and prominence to his speeches, circulating thereby the awe and fame of his name and the indefinite sense of his greatness.

He rules cities and communities with a quarter of a million or half a million of inhabitants, dispensing thereby princely revenues. But all this is nothing, or but the prologue to the imperial act, especially in the eyes of his wife. Chiefly under her stimulus his ambition takes a bolder and a wider flight. He must get into Parliament. He is the first in his town, why should he not be its representative in Parliament? And once there, why should he not make his mark? Who knows? Nay, why not into the Ministry itself? It has been done by others, why not by him, if the fates would permit? And very ambitious visions, Lady Macbeth-like, flit across her fancy, though for the most part unshared by her husband, who is under no great illusions as to his limited oratorical power or general political capacity.

But he does at least aspire to get into Parliament, and he has got there. Parliament is now full of the type capitalist in all its varieties. The mill-owner, the iron-master, the great brewer and distiller, the mighty contractor, the big merchant and shopkeeper, the ship-owner and the ship-builder, the financial prince and the great banker—all are there; and the pick of them have actually, during the present generation, reached the crown of the Parlia-

mentary career, and become Cabinet Ministers. At first only the Liberals would give them office, the exclusive pride of the Tory landlords refusing them such high distinction, till at length Lord Beaconsfield, a man of original ideas, who saw in them a source of neglected strength to his party, broke through the tradition, and associated the capitalist with the country gentleman in his government.

§ 7.

He has thus got political power, which is ever increasing. In addition to the power of the purse, and by means of it he has got it—power in his neighbourhood for himself, power in Parliament for his class interest. He got it by judicious spending of money; but once got through money, it becomes a power independent of money—a distinct and much greater power.

Previous to the Reform Act of 1832 he had no political power, which was monopolised by the aristocracy and the county families, and this to a growing social force was naturally intolerable. Inevitably, then, at the first great agitation for Parliamentary Reform our capitalist-manufacturers and rich merchants espoused the cause of Reform, partly to get into Parliament for its own sake, but largely from jealousy of the landowners' monopoly of power, a resentment of their caste pride and contempt for all outside their own order; and in great measure owing to his energy and social influence in the great industrial towns, the cause of Reform, after long Tory resistance, triumphed.

The political ascendency of the capitalist followed. He entered the Reformed Parliament in great force after the General Election of 1832, and the numbers and influence of his class have gone on increasing ever since in Parliament. Usually, in fact almost universally for a long time, he took the Liberal side, and not unfrequently its extreme or Radical wing—mainly owing to his old grudge against the aristocracy and landed gentry. He voted for the old Liberal platform of 'Peace, Retrenchment, and Reform'—for all reforms save those that seemed to threaten his profits, such as the Factory Acts, the Ten Hours' Act, subsequently the Nine Hours' Act, Repeal of the Combination Laws, Employers' Liability Act, Regulation of Merchant Shipping Act. But Parliamentary Reform he never shrank from. He voted for it again and again to show his 'trust in the people,' and though not at first over-anxious to embrace the People's Charter, with its six points as formulated by Fergus O'Connor and the Chartist leaders, being just then in fact specially engaged in trying 'to dish' the Tories on the Corn Laws, he has gradually, through pressure from below, through party exigencies, as well as through his desire, still strong, to pay off old scores against the aristocracy, been induced to swallow (not without secret qualms) the chief part of the Chartist programme, including universal suffrage, almost—a mistake, as we venture to think, from his point of view, could he by any possibility have avoided it, and one which he or his successors may discover by-and-bye, when the logical consequences of universal suffrage and the sovereignty of the people, not synonymous with the

sovereignty of the purse, receives fuller practical applications.

This, however, is a danger from which perhaps the all-powerful purse may save him. For money is the sinews of all war, even of class struggles largely, and potent to defend itself if attacked openly or insidiously. A part of it may thus be usefully invested in throwing up lines of defence for the remainder, in rendering abortive the assault, and in various ways damping the ardour of the assailing party.

For the present all is well with him. He is at the zenith of his greatness, or if barely passed it, no declension is visible to the eye. There is scarce a cloud to dim his heaven, were it not for disputes with his hands for wages, and the present depression of trade—the former an evil to which he has grown accustomed while it is diminishing in itself, the latter a passing cloud of over-production and diminished demand, to be followed by the sunshine of prosperity in expanded markets, many orders, and brisk inquiries for his goods.

He has triumphed all along the line. He has been undoubtedly the success of our century. He has got all—the power of the purse, social power, political power. All earthly, all secular power is his. Only the spiritual power is not his, and is not yet subject to him. But even this he may subdue; if he cannot exercise it himself, he may perhaps press it into his service, use it for his ends, pay it for his purposes.

His feelings towards men of thought and men of letters is a mingled one of fear, respect, and pity. Of respect and fear, because intellect is an unknown quantity and an incomprehensible force, whose exist-

ence and power he cannot deny, but whose attitude towards himself he dimly apprehends may be a hostile one; of pity, because its possessors have not found the secret, or had the sense, to make money. On this very ground, however, he reassures himself with the reflection that being in need, the spiritual power must seek the highest market for its ability, must necessarily offer its services to whosoever offers highest money for them. The literary labourer may even be exploited like any other for a profit, or he may be set to work to do the capitalist's ends; may be hired, as the soldier of fortune formerly, to fight for a side for a period. In short, the power of literature may be bribed, bought, neutralised, nullified, as a dangerous independent or hostile force. It may be set to work for little, and unfortunately his calculations in this regard are only too well grounded. Unfortunately in England, though much less so in France, money is able to press into its service, either from love of it and the good things it gives, or more likely from necessity to live, a considerable amount of the spiritual power and best literary ability of the time. Much of this must consider itself as capacity to let for hire, which often cannot allow itself individual convictions. Happily, however, for the world and future ages, not all. And more happily not the best and highest kind, which besides being usually 'impracticable,' through uncompliant personal convictions, looks also by its own inner law of being for other payment than money, while even of the necessary money it may now more and more hope to get in less disagreeable ways sufficient for its moderate requirements.

And thus things manage a little to equilibrate

and right themselves. For it is of vital importance to a nation that the highest literary and philosophic talent should be absolutely emancipated from every influence, and disconnected from every interest outside itself, whether of Capital, Party, Society, the State, or the Church; that thought should not have the faintest fetter save what thought imposes, and that literary genius should follow no law but its own impulse; for only in perfect freedom to find and express itself without fear or favour, can either prosper or profit the world, or even avoid doing it evil. On the other hand, it is not so important that ability, good, but less than the highest, should have such absolute freedom, and such may offer itself for the highest market it can find, provided it takes the side on the whole of its convictions, which need not be rigidly held, but may be as indefinite and expansible as those of the party to which it attaches itself. The thing to be desired for men of this class is that they preserve their sense of independence in some degree, and that they may be able to get good wages for their work.

§ 8.

The result of the capitalist's conquest is that we have now two aristocracies—a money aristocracy as well as a landed, the former tending ever to become more powerful as compared with the latter.

Probably more than one-half the total annual produce of the nation, or its money value, goes, in the first instance, to these two interests; to the former in the shape of rents—farm rents or ground

rents—to the other in the shape of profits or interest, and we should probably be safe if we said that nearly one-half goes to what might be roughly called the upper ten thousand of both together. Nay, even if we confined ourself to the first 500 on each list, so as to include chiefly the mightier landed magnates and the colossal capitalists (including not only the chiefs of industry, but the great financiers and mammoth storekeepers and shopkeepers), it would be surprising to see the total their incomes would figure up.

It is true that by a sort of rough compensation our rich men, whether capitalists or landlords, cannot literally consume the whole of their huge incomes, and not even the whole of that part which they expend in appearance wholly on themselves. They may spend it, they cannot consume it. Very much of it must pass through their fingers to others, be they ever so tightly closed. To a considerable extent, and whether they like it or not, it is even held in trust for others, and those others not merely their children or other relatives, but the general public.

Let us consider a little his consumption, as it is called. If a man have 50,000*l.* a year—be he aristocrat or capitalist—he may spend it all, or only a part, saving and investing the remainder as profitably as he can. If he is a great capitalist, with profits to the amount of 50,000*l.* per annum, he may, if it so pleases him, spend it all, but if he does so he will grow no richer. He will continue to draw and spend his 50,000*l.* every year, and at his death, say at the end of thirty years, he will have nothing to leave his children save his business, producing this

same sum annually. And a very handsome property too; but if he had resolved to spend each year only 20,000*l.*, saving and investing all the excess over 20,000*l.* in his business, at the end of the thirty years he would not only have had the old business but a very enlarged business, yielding a greatly increased annual revenue. The additional money saved each year and put into the business reproduces itself with current profits at the end of the year if paid in wages, if sunk in machinery it is still there in money value (as an increase of the entire industry), while it equally gives current profits; so that at the end of the thirty years we have really the old business with its old profits, plus all savings since accumulated at compound interest, amounting to an enormous additional sum, whether existing in the form of fixed capital or circulating capital. Moreover, during each year the capitalist will have benefited both labourers and other capitalists by spending more in wages and raw materials, if not on new machinery.

And something like this, so far as, and so long as, his business permits, is what the typical capitalist does, because he wishes not only to live in handsome style, and to get power by the spending a part of his money, but also to increase his profits yearly, so as to leave his children rich.

Now as to the part spent 'productively,' as it is called, we know its general effects; it benefits labourers, the capitalist himself, bankers and others, and this perpetually. It perpetually reproduces itself and something added, while in the process of so doing it has benefited all these and others—like a fountain ever flowing, and ever refilling itself from its

own stream, which keeps augmenting. It is the part spent unproductively that is somewhat mysterious, and the effects of which we are here to consider.

Let us say 20,000*l.* are spent annually unproductively, and let us try to trace the first circle of effects which follow this special spending, the same kind of effects following on a smaller scale the spending of smaller rich men into whose hands it may first directly pass.

The rich man, be he capitalist or landlord, who has 20,000*l.* a year to spend, has an order to this extent on all saleable things, on the material wealth of the country, and also, be it remembered, on the immaterial wealth or the store of services his fellows can render, be these of the domestic, skilled, professional, or any other sort. Of material things bought, he is only able to consume, in the literal sense, a very small portion himself; his share of food, clothes, wines, and other things, which are consumed if used, a small portion only of things slowly consumed by use, as his houses, furniture, ornaments, carriages, which he uses in common with others. Of material things, whatever exceeds his own personal use, must go to others, to his family, to his guests and friends, to his servants, to the poor, to his dogs and horses. He may indeed, like Heliogabalus, consume, if so minded, the most rare and costly meats and wines, but still the cost of such, though comparatively great, is limited, while the quantity is strictly limited—'limited,' as Adam Smith tells us, 'by the narrow capacity of a man's stomach.' He may also, without much if any consuming, rent, or buy, or hire, and so appropriate to his own exclusive

disposal, many costly things—horses, handsome footmen, carriages, yachts, deer forests, fine houses, splendidly furnished on fine sites. Still he can hardly keep the use of all these to himself, nor would it suit his purpose. He can keep them from the general use certainly, but he will share them with at least his friends and guests. He may *spend* all his income (and he does spend all he does not save); but he does not himself *consume* what he spends, save in the merest verbal way. In the literal sense he consumes but a small part of it, he and his household.

In spending his money the rich man mostly parts with his power over material things, and orders a service. He can order either, but the latter, after a limited amount of the former has been secured, is more useful. He pays his money (supposing his spending income to be expressed in money not in his finished goods) for services. He *consumes* the services, or he makes use of them, and it might hence be said he consumes his income to the extent that he uses the services for his own purposes, but observe, he has not by so doing consumed so far material things, usually alone thought of as wealth. He has foreborne to order material things, has passed his general order on either material things or services, on to another in exchange for a special service, or set of services, from him. The recipient of the money may or may not turn it into material things; if poor, he will probably do so; but if, as is more likely, he is rich, he in his turn may pay it out for a service, thus sparing the material stock of things.

The rich man, then, to a great extend holds his

wealth in trust for others—in trust, as we shall presently see, with a difference, because he does not part with it for nothing. Still, he holds his money and its general command over things for those whose services he *must* absolutely purchase, whether he likes it or not, as well as for those he thinks may help him, though here there is no physical but only a moral necessity. He holds it for his medical man, the family solicitor, the tutor for his sons, the governess and teachers for his daughters; for the artist who has painted his own and his wife's portrait; for the picture dealer who sells him an alleged old master; for his footmen, valets, grooms; for his French cook; for the builder, upholsterer, coachmaker, who give their products for his money, value for value, but who thereby gain a profit on their outlay; for his grocer and wine merchant, to the extent also of their profits, and even to the continued employment of the wine maker's hands in France; for some of his needy relations who have claims upon him; for his defaulting debtors, or those who dexterously overreach him, and get his wealth gratis, as in the game of Greek against Greek will sometimes happen. Then, again, he holds a part for the State in the shape of his taxes, imperial and local; for the public of his own town; for the poor, in the shape of donations to charitable institutions, amounting to an annual philanthropic tribute cheerfully paid, as the free library and people's park were cheerfully presented to his townsmen, and both for his expected *quid pro quo* in the form of popularity, so pleasant in itself, and withal likely to be profitable in many ways, besides paving the way to Parliament, in case he should seek the suffrages of his townsmen.

If we went over the various items of a rich man's yearly expenditure it would be seen how small a proportion of it is exchanged for material things consumed by himself and family, and how large a proportion of it must go to form part of the incomes of other people, some of whom repeat the like distributing process on a smaller scale by merely passing their money orders to others in return for services; so that the rich man's wealth may be distributed, in whole or part, many times, and may form part of the incomes of many successive persons, before it reaches one who orders with it material products for consumption.

In sum, he does not consume all or much of his income, but he himself spends or parts with it all, in return for which he gets partly material, consumable goods, necessaries, and luxuries, which he, his household, and his friends consume; partly services of various kind, some of them necessary and some of them luxurious, the latter much relished by him, and of more value than material luxuries, because his desires of various kinds, as the desire for power and display, have become greatly enlarged, while his appetites and needs for material things have not greatly increased. Finally, in return for part of his expenditure, he may get neither goods nor services, nor anything at all at the time, beyond, let us hope, his pleased consciousness. But he will get something, and his expenditure is a present investment, for an expected good, not saleable or transferable, but realisable by him at a future date—some of its results at once—in the form of popularity perhaps, and realisable in a form very agreeable in itself, besides bringing with it the potentiality of further money

returns—assuming the economic man who desires wealth chiefly to still sleep at the bottom of the soul of our plutocrat.

He gets in this case something immaterial, intangible, indefinite, it is true, but something that is to him a valuable consideration in legal phrase. And further and more generally, though he does not consume his income, he never parts with any of it without a consideration. In every instance, save the rare case when he gives from pure benevolence, he gets his *quid pro quo*. In the exchange he passes his cheque, and with it his command over things to that extent, because he chooses to realise his command over things in a concrete form. He parts with the cheque, the general command; he gives by it a special command for a particular thing, and this he gets, either a material thing, a service, or a potentiality of future service (as in the people's park). He gets directly or indirectly what he considers well worth the money, and what is of more use to him than material things, of which he has more than enough already.

We exclude here the very exceptional cases where the man of wealth gets only the gratified consciousness of having done good, because there is reason to think that the cases of disinterested benevolence are extremely rare, an admixture of calculation being nearly always present, even when the rich man restores a cathedral or founds a college. (If he does not do it for expected good in this life, he does it for his soul's sake hereafter; not for the sake of doing good to others, but for himself.) These investments are indeed much to be recommended, especially the latter, but they are seldom disinterested. They are

either made for present popularity with its accompaniments or, as in the case of the man who leaves his money after death to found a college, for his soul's sake hereafter.

Thus it appears that the rich man does not much reduce by his consumption the material stock of goods or the material wealth of the world, as people commonly suppose, in the spending of his income—that is, the part of it which he spends (nor, for that matter, does the spendthrift for the most part). He draws mainly on the immaterial stock of things, on the store of services lodged in individual men and represented in individual capacities, either buying these in the lump, as in the case of domestic servants, or paying for them one by one or by the set, as in the case of the higher disbursers of skilled or learned services, such as those of his architect or solicitor. He does not by spending his wealth take away the food from the hungry, nor even the wine from the well-to-do but less rich than himself. On the contrary, so far as his direct spending goes, he gives food to those who without his employment might have been hungry, and wine to the well-to-do—the family physician, solicitor, the schoolmaster for his sons, and many others of the middle class.

If the rich man does not spend his income to a great extent by drawing on immaterial wealth, on the capacities vested in professional and other men, he must either spend more on material luxuries, having by hypothesis already spent as much as he cares to do, or he must give it away for nothing except the pleased consciousness of doing good, or the ease of his conscience. The former thing business

men are not in the habit of doing, as we have seen, nor the latter until they see death nearing, themselves being childless, when they occasionally bethink them that it might be a safe investment in spiritual securities to be realised in future—as indeed it is. The only other alternative is, in fact, not to spend but save and re-invest it in their own or in other productive industry, by which, no doubt, they will have an ever-accumulating heap of wealth, but at a constantly declining rate of profit or interest. This constantly increasing mass will be of no more good to them, unless they have the miser's disposition, than when of smaller amount, because they will not touch it more; perhaps it will be of still less use to their children, because they will do the very opposite.

Besides, we have already supposed our capitalist to duly proportion his savings and his yearly spendings, and to add a fixed amount of the former each year to his capital. His business and the yearly yield of it are thus already increasing sufficiently to meet the wants of his children. Finally, by spending more in other ways, he will get at once the gratification of other dominant desires, besides the possibility of even adding to his wealth eventually by this very spending.

CHAPTER II.

THE SUPREMACY OF THE CAPITALIST.

§ 1.

THE American ten-millionaires have not discovered so clearly as ours the advantages and the pleasures of transforming part of their wealth into the form of political power, though it is said they invest more before their death in spiritual securities realisable hereafter, by pious bequest to college, school, or church, or almshouse. No doubt the colossal moneyed man in America is credited with having much indirect political influence, but directly he seems not to care for politics, he is conspicuously absent from both the House of Representatives and the Senate, possibly because American politics is less large and exciting than ours. Whatever the cause, a fact it seems to be, and hence, from want of other larger interests such as politics, he soon does not know what to do with himself or his money. He grows tired of his yachts and of his costly dinners, of the balls given by his wife, which cost ten thousand dollars. His only resource is to make more money, a process *ad infinitum* and *ad absurdum*, because the end of making money was and is to convert it into desirable things of which it gives command—comforts, luxuries, power, &c. No doubt

in the mass form money is potential power, but if never realised is not the millionaire like one starving in sight of endless good things? If the American millionaires would take a hint from ours—enter Congress and direct the general policy of the country—they might both make their wealth more secure and derive an additional interest in a life like to become insipid otherwise—such Nemesis following unnatural heaps. Apparently they do not care to do so—which only proves they are not so fully developed as our plutocracy, nor, I add, so socially omnipotent. The result of their not having, as with us, an expensive interest like politics is that their masses of wealth, unsubject to such annual process of attrition as their English cousins', becomes ever greater masses, the like of which was never seen on this planet, till finally they either leave useless heaps to their children, or, failing these, they are compelled to be benevolent for want of other ways of disposing of their wealth—to the great profit of philanthropic institutions, and let us hope of their own souls.

To return to our own rich man. His real relation to the amount he yearly spends is rather that of an administrator and distributor than that either of a consumer or an absolute owner. He holds it, but he holds it for others. It is perfectly true that he is an absolute owner of it in the legal sense. He has absolute command over it, to do what he pleases with it—to lock it up in his strong box, to bury it in the earth, to throw it into the sea, if he chooses. He could keep it away from other people if he chooses, and in all these ways. But he will not keep it from them, because he can do much better by parting with it to them.

It is said that the rich man should regard himself as a trustee and administrator of his wealth; and a trustee he is—only with a difference. He parts with all his money, all his profits, both what he spends and what he saves, as well too as with all his capital; but he always gets something in return for what he parts with, which a trustee, as commonly understood, does not; and there would be little to complain of as to this, were the return service cheerfully given, generally useful, and no more than a fair equivalent.

Confining ourselves here to the part spent, and neglecting the part invested in his business, the power which the rich man gets in return is very great—not merely the powers of others which he may legitimately press into his service without injury to the lender of it, as in the case of the professional man, but also power illegitimate and hurtful to the community, because many people are in need of precisely what he has such a plethora of, namely, money, or they want his influence to obtain money or places. Many need his money and influence, even educated and capable men; this money only the favoured few will get, and they will get it only on his terms. This it is that makes the rich man's money so great and sometimes so fatal a power. It is not so much that his heap here causes a desert there, that Dives' purple and fine linen causes Lazarus to be in rags, because it is rather the reverse that is true of the modern rich man, who, like our capitalist, does some work; it is not this that makes him a dangerous social growth, but it is because he and a comparative few like him have the first handling or monopoly of a thing so many want, because these holders must part with it all to

gain their ends, but will not part with any of it to the needy, be they ever so capable, save on their own dictated terms, nor to any save for a good consideration. He and a few possess and control the heaps of wealth, the law protecting their possession, and very many need a share; this it is which gives the rich such a power. It enables them to exercise a double pressure on the needy who can serve them, whether with hand or head.

And it is to be noted that it is by distributing, by parting with his money, that he gets his great and dangerous power. He passes his cheque, and he gets in return things tangible and intangible, but all pleasant and good—wines, horses, yachts, adulation, professional skill, complimentary paragraphs, the disposal of posts, the disbursements of public money.

It is very true that certain classes and interests in self-protection have found the means of compelling a share both of landlords' and capitalists' wealth on honourable terms, and that the services of these classes are both cheerfully paid and pleasurably rendered, true also that ingenious and successful assaults are made by skilful or clever or crafty individuals on the wealth of the rich, and that in other ways they must part with portions without hurting the sense of independence or dignity of individuals; but it still remains true that, through their command of wealth and capital, the capitalist class both have and exercise a power in modern society much disproportioned to the importance of the functions discharged by them; for, after all, manufacturers and iron-masters and financiers and merchants, however highly we rate their work, are not so important as men of science, men of

letters, or statesmen, nor would it be so difficult to find the sort of men to fill their places.

§ 2.

The position then finally of our capitalist is this. His profits, let us say, are 30,000*l.* a year. After dividing with his hands, or rather after replacing what he has paid out in wages to them, he has 30,000*l.* left as profits. This he may consume either wholly or in part in the course of the year. If he consumes it wholly, he will be as he was, neither richer nor poorer at the end of the year. He will next year, and every year, have the same 30,000*l.* to consume, and at the end of thirty years he will have all his original capital replaced. He has all along paid his workmen, and he has had 30,000*l.* to spend on himself.

But he will not grow richer, and he will not be able to leave his children any more than he had at the start. Accordingly, the usual motive of saving being to make provision for a family, as well as to have more to spend without fear of the future, we may assume that he will not spend the whole. Perhaps he will not spend more than 10,000*l.* or 15,000*l.* a year, saving all that exceeds that sum, and investing it in his own business, or, if that is not expansible, in the shares of a joint-stock company or in foreign securities. Let us suppose him to invest it in his own business, and suppose him also to spend 15,000*l.* a year (that is, half the first year's income, which, of course, will be increased every year).

With the 15,000*l.* thus added to his capital he

will employ more hands, and probably make improvements or enlargements in his machinery. What he will not do with it is to give higher wages to his old hands if he can avoid it; because he has already, we are to suppose, fought out this question with his *employés*, and his profits were the share he succeeded in getting, and only the current profits. He will engage new hands and make improvements in his business, either in the machinery or in some other direction, because by means of the additional hands and the better machinery the product will be proportionally greater, and he may fairly hope, by the sale of it, to get at the year's end all this additional outlay together with current profits upon it. Thus at the year's end he will be richer than he was last year by the 15,000*l.* and the profits on it. The 15,000*l.* will be restored to him, or at least so much of it as has gone in wages, the rest being still to the good in better machinery, &c., and he will also have the interest, or rather profit, on it. In the next beginning year he can invest a further sum as capital, amounting to 15,000*l.* together with the additional profit on the previous 15,000*l.*, which at ten per cent. amounted to 1,500*l.* In other words, he can each year add to his previous capital 15,000*l.*, together with the profits on all the previous additions, and at the end of thirty years all the several additions will be restored to him increased at compound interest, or they will be partly restored to him in money for goods, and partly exist in the shape of his improved concern, which represents so much money sunk in it, on which it now gives profit. At the end of any given year, supposing his produce for the

year to be all sold, he would have all his advances in wages and price of raw material restored to him, together with current profits on these, as well as on all his capital sunk in buildings, machinery, &c., so that at the end of thirty years he would have his greatly increased circulating capital restored, together with the year's profit on it and on the fixed capital, together with the value of his connexion as a working concern.

Every year after the first there has been added more than 15,000*l.* to his previous capital, and every year what he adds remains, not at simple, but compound interest, because, by hypothesis, the capitalist never touches in the way of spending either principal or interest, but keeps to his customary annual expenditure of 15,000*l.* This is a sufficiently liberal allowance it will be granted, but yet it is compatible with enormous simultaneous accumulation, from the simple fact that all that exceeds this sum is continually invested, and money not used but continually reinvested with all its accumulations is necessarily at compound interest. Besides, it is not the ordinary rate of interest that is received. It is the rate of profit, which is more than double the rate of interest, because it includes his own wages of management, usually rated as high as the rate of interest, and it includes insurance against certain risks.

Here the labourers are constantly gaining more and more, because more of them are being employed, and perhaps at increasing wages, if the masters are anxious to obtain them. Trade generally is benefiting, because more raw materials and better machinery are ordered, and distributors and dealers are

gaining their profits, while the consumer is probably getting his goods at cheaper prices. Meantime the family of the capitalist have a colossal fortune in the course of making and accumulating for them, whilst all the time the capitalist is spending 15,000*l.* a year on himself and them, but also to the profit of his servants and the professional classes; whilst even in consuming luxuries, wines, &c., he helps to give a profit to the English wine merchant, the wine producer, and wine cultivator in France, together with wages to their assistants and labourers. Could there then, one is inclined to ask, be a greater general benefactor than this our capitalist, so much abused by the socialists? Or could there be a better industrial or social system conceived than the existing one, in which he is the chief and central figure? Could there be one conceived that, on the whole, would work so well for all, what though it works so specially well for him?

To this the socialist replies, that his profits and capital increase without trouble on his part, that it is absurd to call his profits the rewards of abstinence or forbearing to spend, when all the time he is spending amply and sufficiently to gratify every earthly desire, whether of luxury, ostentation, or power. There is no credit due to him for his abstinence from spending in such a case, and as to his additional savings, it properly belongs to his workers. He ought not to have more profits than the very ample sum which he spends, in the present case of 15,000*l.* a year. In fact the salary of a good manager is all that is justly his due. His savings are always made at the cost, either of his hands that he has deprived of their share, or of the public that he has

taxed by a monopoly price, or of his competitors that he has driven away to get their custom. A hundred years ago, in his embryo condition, he had no savings, more than working men, whose condition differed little from his, and as the capitalist is not a 'creator' to make something out of nothing, he has not made nor created the savings or the capital. He has only managed to appropriate it, in ways not contrary to law at the time, but contrary to morality, and some of them since pronounced contrary to law.

And truly enough, without going the length of the disciples of Karl Marx, his position is a very remarkable and fortunate one. With one hand he may spend and have the world at his feet by his spending; while again, by saving part each year, he may have enormous accumulations going on simultaneously without any additional labour, or even anxiety, on his part, probably with far less labour than when he began his career, and with far less difficulty in saving. Nothing succeeds like success, and above all the capitalist's success. You spend, and subdue one half the world in spending; you save—you can hardly help it, with so liberal an allowance—at any rate, it would be foolish if you did not save, having got all there is to be got, all pleasure and power, by spending—and your savings are ever increasing themselves at compound interest, and this not at the ordinary rate of interest, but at rate of profit, remember, which is more than double. Your accumulations are increasing themselves like the rolling mass of snow, and without effort on your part. Surely the capitalist's lot is a happy one as well as that of the landlords, who, as Mill and Cairnes affirm, 'grow rich in their sleep.'

Surely there is here an 'unearned increment,' as well as in the landlords' rent.

And it is to be particularly noticed that it is not the ordinary rate of interest that the capitalist looks to get, and actually gets in the general run of cases. It is the current rate of profits that he looks for, which is at least double the rate of interest, and this on all his capital, whether invested in machinery or advanced in wages or the price of raw material. If the rate of interest is 4 per cent., the capitalist will only consider 8 per cent. fair profits, because he rates his own services at a percentage on all the capital, fixed and circulating, although neither his labour nor his anxiety increase in proportion to the amount of capital controlled and managed; because his labour is obviously little greater with a larger capital, and his anxiety is not a thing that increases according to a quantitative law, but may be quite as great with 10,000*l.* at stake as 500,000*l.*, if the smaller sum is all he has.

Just after the industrial revolution in the earlier years of the present century profits were very high while he had the monopoly of the world's markets. It was not 8 or 10 per cent. that manufacturers got, but 20, 40, 50, 100 per cent. in many cases, a fact which may in some degree account for the extraordinary and unparalleled growth of capital in England during the present century, as well as for the huge fortunes made by individual men, and also for the concentration of the greater part in the hands of a comparatively few hereditary houses.

It is true that the rich capitalists are not now adding to their wealth at the prodigious rate of former

days, partly because the rate of profit has for various reasons fallen, one of the reasons being the very increase of capital from past profits, and the impossibility of finding continued investments for all the increase at the old higher rates. It is because the mass of capital is so great that it now increases in a dwindling ratio, like 'goodness grown to a plurisy, which dies in his own too-much.' But the fall is very slow, and may be arrested, and even for a time turned into a rise in particular branches of productive industry; while, if the rate is smaller, the surface of capital on which the smaller rate is gained is great by past accumulations.

§ 3.

There is another thing besides which checks the further growth of the greater capitalists much more effectually than the tendency to a fall of profits. The capitalist has children, and at his death his wealth is divided, and not usually according to the principle of primogeniture.

But for the operation of this cause tending to dispersion, the inequality of wealth which now exists would have been far more glaring than it is. Every generation the masses are re-divided. The larger masses gathered through a lifetime are broken at the end of the gatherer's life. And there is no primogeniture, unless, perhaps, there be landed estate. The property is divided by the capitalist's Will amongst sons and daughters according to prevailing sentiments of justice amongst his class. The business is not broken up, and the shares of the children are usually

left invested in the business, which now belongs to the family as a sort of company instead of to a single individual, though a single son who, in the father's lifetime, has shown business aptitude is commonly left the nominal owner, but really rather the manager of the business for the family company.

Each one has his or her share of the capital, and receives a corresponding share of the yearly profits and perhaps the daughters have only an annual charge on the profits without any part of the principal. The collective savings of all may now be as great as if there were only a single owner, and may be invested in the business, but neither is likely to be so, and consequently the business will not grow on the same scale as during the founder's life. Moreover, the head is now more fettered in his actions.

The portions of each may be divided again in the next generation, and there is now a little joint-stock company of relatives in place of the single original capitalist.

In the first generation after the father's death there may be four who own the capital and divide the profits; in the next, if it holds together so long, if individuals do not find it necessary to sell out their shares, there would probably be ten or twelve persons interested with equal, or more likely unequal, shares. The concern, at any rate, tends to pass into the joint-stock family company, the single owner is gone, and the business is charged with the claims of several, and would be with a constantly increasing number, were it not that for various reasons individual claims are often bought out by the head of the firm in the name of the concern. Moreover, internal differences

may arise, and the business divide into two houses, competing against each other.

So history repeats itself. The clan or tribe began with a single ancestor, which became a group of kindred owning the land in common. This again divided itself into parts often more or less hostile. Here, however, we are chiefly concerned to show why our great capitalist is not likely to increase in future at the rapid rate of the first half of this century.

It is the tendency of the great businesses to be divided as to ownership in the second generation, and still further in the third. The business itself may increase all the time, more hands may be employed, and, in fact, we see in the great hereditary concerns both of these happen. But the concern is virtually a small company, with probably some outsiders of good business power in addition to the family relations. Moreover, there is more and more a tendency to convert such into complete joint-stock companies according to the terms of law, from the facilities which they afford for buying and selling shares in them. Many persons have now an interest in the profits from the business as well as the workers, and will be inclined to resist their unlimited claims to a rise of wages, which will mean for themselves a diminished income —no longer reckoned by the ten thousands as in the days of the great single capitalist—the man of egoistic genius who initiated the whole.

Of course in every generation the individual man of genius, of the old type, will arise, who will make a great fortune himself, and from nothing. But this will only happen when some great new opportunity offers, or is created by the progress of scientific discovery

or invention, or by individual enterprise of men in finding new regions for trade. Then will appear anew the great capitalist, as he appeared at the end of last century, at the revolution in manufactures, again at the introduction of steam power, again at the revolution in conveyance and travelling produced by railways. He has appeared successively as the manufacturer, the ironmaster, the big brewer and distiller, the great contractor, the railway king, the mammoth storekeeper. And he would again appear, because he would again get his chance if there was any great and general improvement in machinery, or any great expansion in trade. He would have appeared had the electric light been a general success. But the great new capitalist, when he comes, will probably not get so free a field all to himself as his prototype. And, in any case, he will only be colossal during one generation. At his death his empire will be broken up and his possessions divided, so that here is one very decided limit to his indefinite increase.

§ 4.

Our conclusion is that the very rich are *not* growing richer, contrary to the popular one, and contrary to that expressed by the late Professor Fawcett, as well as by Karl Marx. There is a natural dispersion and division of the larger masses of capital going on from natural causes, which could only be prevented by the capitalist following the evil precedent of the landlord (without even the landlord's justification), of disinheriting the younger children—a thing which he is

too sensible a man to do; but which, if it became at all common, should be prevented by law.

A good many in the course of three generations get a share of the original capitalist's wealth from this cause, as well as a good many through the way that each of them during his lifetime spends his yearly income.

But it may be said: if a capitalist leave at his death 1,000,000*l.*, to be divided amongst four sons, each would have a quarter of a million, and there would be no reason why each, starting with such a capital, should not make at the end of thirty years greater accumulations than their father, who probably started with nothing. And no doubt if they possessed their father's business-genius, energy, and good luck, which was only half luck—above all, if there was the same expanding fields of business and the same great chance of monopoly open, they might make the same great profits and reach perhaps greater results. But there is not the same high profits to be had, and the new fields of enterprise and high profits are not to be found. And supposing them as saving as their father, they cannot continue to invest their savings each year in their own business, because there is not room for indefinitely increasing capital without a decline of profits, and perhaps without a loss, and even less than no profits. If they are producers they may produce too much; if they are merchants who buy and sell they may import or export too much. Our capital, then, is increasing, but the capitalists are getting smaller profits. Still, starting as they now mostly do from the platform of advantage made for them by their father's inherited capital, they get their

smaller profits on a large area of capital, and they get it from the beginning of their career. He who has inherited 250,000*l.*—a not uncommon inheritance for the capitalist's sons—if he can get 10 per cent. on it in his business will have 25,000*l.* a year, which would have been considered a princely income a century ago. And such a one can still save half of this, and invest it so far as possible in his own business, where he is by hypothesis getting 10 per cent.; and if his own business does not profitably admit of greater extension he can at least lend or otherwise invest, so as to secure 4 or 5 per cent. for it. In any case, even if he got nothing for it, he could save half each year, sufficient to leave ample provision for his children. But it still follows that the larger masses of capital are in the hands of a comparative few—in the capitalists' families. These individuals, however, are being multiplied in every generation, and the constant subdivision would bring them down from wealth were it not that the portions of any of them who have business capacity can be again increased and raised by profits. Capital is not like land, which cannot be increased in amount. Capital can be indefinitely increased, until it becomes so great and profits so small, that men think it not worth saving more to get so small a further increase. But we are a good while from this extreme limit—the minimum of profits so much dreaded—even if we ever reach it. For when there is little room for further increase at home, capital may go abroad for increase, so that there may be an enormous additional increase at present without a further fall, the world being one country as respects capital;

from all which it follows that the class or caste who hold capital will continue in a great measure to hold it, and the only outsiders who can hope to get a share of capital are either those who make some great new discovery or invention, or else the able manager or foreman, or else he who marries the rich daughter, or haply the widow, of the capitalist. True, those most likely to succeed in bearing off the heiresses are not men of business, but rather the needy younger son of the aristocracy, the handsome guardsman, or the young curate, in which cases, however, the wealth is more likely to be further divided than if the ladies had united their fortunes with the man of business.

Such, then, is the capitalistic *régime* in its essential economic and social aspects, and such its central figure and most remarkable individual product; a *régime* which is the last development of individualism and private property, and which, in addition to other consequent good and evil, has greatly increased inequality of wealth and social condition, by raising from the general level of industrial life of a century ago the greatest plutocracy the world has yet seen; and this (what is the more remarkable) after the doctrine of equality had been strongly preached afresh, and in a century that seems bent on making greater equality one of its chief social goals.

CHAPTER III.

PRIVATE PROPERTY: ITS ORIGIN, NATURAL AND HISTORICAL.

§ 1.

YET here the system is with all its evils. It exists in every civilised country as the ultimate driving principle of our strenuous, ceaseless, and infinitely diversified modern industry. Nay, it exists, though in less extreme development, in the semi-civilised, and in all but the most savage lands. We live under and by this system of individualism, of property, of egoism; it is the mainspring of all our life, the source of all energy and enterprise, the stirrer of all invention and useful initiative, the ultimate motive power which turns the million wheels of industry, because it is this egoistic spring which first sets all the material forces in movement. It is the true *primum mobile* in the social and moral world, because in that sphere man seeks first the conservation of his 'Ego,' next that of those who are dearest to him; finally, he seeks the expansion of his 'Ego,' and the multiplication of his power, the gratification of his pride and vanity; and property—money—in our modern times is the chief, if not, as some suppose, the only, means to the gratification of these desired ends.

Outside our windows in a great city we can hear the ceaseless roar of business and traffic, inside the factories is the ceaseless din and whirr of the machinery; at the bottom of all this mighty labour and hubbub of modern times is the desire of individual men to better their fortunes, to make further acquisitions of money or money's worth; for whoso can command the most of these can, in the universal belief, gain all other desirable things, and it is certain at least, whatever the moralist or philosopher may say, that by the help of wealth a man may secure many lawful gratifications, may ward off terrible evils and dangers from those who are dearest to him, may save himself from many shames and degradations and dangers, and greatly add to his happiness and comfort during his earthly sojourn. These are some of the advantages of wealth, which make the love of it a lively spur to enterprise and a source of good, what though it be at the same time the root of so very much evil.

Men are indeed urged to action, are driven hither and thither for other things than property or wealth. They seek power, fame, the pleasures of sense, the gratifications of knowledge; they seek to do good; but they are the fewer who follow these several ends, and they follow them less persistently. The majority, political economy says all men, seek wealth, and they follow it with a greater zeal and devotion, a more concentrated and constant exercise of all their energies and faculties than the votaries of any other pursuit. The service of Mammon is more sincere, and engages more of the heart and soul, and it has yet to be shown by the moralist that men are irrational in this ardour

and engrossment of their idolatry, finding themselves born into our modern world, where money is such a potent force for good, and where the want of money exposes one to such a formidable list of evils.

In this chapter we are to inquire into the origin of this great instinct and institution of property, to trace its roots and growth in history, and its source in human nature. We shall thereafter be better enabled to understand the present force of the desire, and to see if there be any ways in which the instinct might be lessened or the institution modified with advantage.

§ 2.

All human societies under all civilisations, at a certain stage of their evolution or development, have come inevitably to the institution of private property —nearly always to private property in land, and invariably to private property in movable things; the exceptions to the former being so slight as to be scarcely worthy of notice, while those to the latter are of the kind which illustrate the universality of the rule, being such things as could not be withheld from common use.

Under all civilisations, after a certain stage of social development, the collective will of Society, speaking through its organ of Law, has said to the individual units: 'The things of the earth shall be yours individually, under certain conditions; yours to get and to give, to have and to hold, to enjoy, and to pass on, provided only that you have come by them in ways that the law recognises, or—to give you

still wider latitude of acquisition—in ways that the law has not expressly forbidden. Things must have individual owners, and these are the conditions on which you shall be lawful owners; and these are the ways in which you will not be lawful owners, but thieves and robbers, or unlawful holders of other men's property, to be punished accordingly.'

To this all nations, all the great families of mankind, have come at a certain stage of their history—the Jews, the Greeks, the Romans, the Egyptians, the Hindoos, the Chinese, the Germans, the Celts, the Slavs. Thus the Jews had reached the institution of private property before the law of Moses was given, or at least before the Book of Exodus was written, in which the command appears, 'Thou shalt not steal;' 'Thou shalt not covet thy neighbour's house . . . . nor his ox, nor his ass, nor anything that is his.' They had reached private property in land when the Deuteronomist pronounced a curse on him that 'removed his neighbour's landmark.' In like manner the Romans had reached private property[1] when the Twelve Tables were composed, in which the penalties against theft and robbery are still more severe than in the Mosaic law. All nations, in fact, would seem to have reached private property at a stage rudely analogous to the period of man's estate for the individual, and the internal history of each country subsequent to this attainment of manhood becomes largely a struggle of classes, obscure and prolonged, respecting property, which ever tends to get into fewer hands, more egoistic, energetic or unscrupulous—the eternal evil of the system, which

[1] Mommsen thinks that they began with common property in land.

no nation under ancient civilisations was ever able to guard against, which would appear from the books of the Hebrew prophets, Isaiah, Jeremiah, and Ezekiel, was a chief cause of the internal national decay of the Jewish nation and of the Captivity; and which certainly, under the name of *latifundia*, and luxury, its necessary concomitant, was one of the chief causes of the decline of the Western Empire.

All modern nations in like manner have come to private property, having started, according to the best authorities, with communism more or less pronounced. They all came to private property in land at a comparatively early stage, and to private property in movables at a still earlier, the chief exceptions to be found being amongst the Russian and the Hindoo village-communities, and the Slav house-communities, where, though the tendency is to private property, it has not yet been fully reached. Thus twice all along the line, or nearly so, once under the ancient civilisations and again under modern civilisation, the same phenomenon has repeated itself. Nay, according to Sir H. Maine, it reproduced itself again at the colonisation and occupancy of the North American continent, the early Puritan settlers, with the fear of the Indians and wild beasts in the distant forest, having started in village communities.

In all these cases men started with aggregate property, and they came eventually to individual property, and in each case they did so independently of each other's or of preceding examples. It was in each case apparently a necessary development or stage, arrived at under irresistible forces.

There was no private property in the earliest stage

on which the light of history falls—neither in land nor goods, so far as we may trust the indications of history, as interpreted by the best authorities.[1] There was none at first, but we invariably find it later on, and we also find the tendency to be to an ever clearer definition of individual proprietary right, as well as in a still later stage to a creation and a clearer recognition of new kinds of property not previously appropriable by individuals.

Everywhere, at a certain stage in the history of nations, we find private property recognised, and an increasing tendency to withdraw things from the category of common property, or joint property, or no man's property (*res nullius*), and to make them individual property. Add that in modern times we find a tendency to create new kinds of private property, as in the case of trade-marks, copyrights, and patents, where new things have been produced for the general benefit. Now this universality of the phenomena seems to indicate a social necessity, a law of social evolution, that at a certain stage in the development of all societies the institution of private property is a necessity, and a system of community of property no longer possible. There must be some necessity, either in human nature or in the external physical circumstances of men in a state of aggregation, that

[1] Such is the opinion of Sir H. Maine, Emile de Laveleye, Herbert Spencer, and other less known authorities. There are, it is true, some who hold a different opinion, amongst whom are M. de Coulanges, in his *Ancien Cité*, and Mr. Denman Ross (*Early History of Landholding among the Germans*). But neither of these goes so far as to maintain that private property in our nearly absolute sense existed, and all must allow that property was only private as respects some of its rights; that its character was, in fact, more communistic, and that is all that our generalisation and argument requires.

always led and which therefore, perhaps, always would lead to this invariable result;—something either in man himself, or in the universal features of his environment, or a result of the joint action of both. In short, it must be a *scientific law*, a dynamical law or law of change, that man must come to private property at a certain stage of development, and since it has happened under every variety of physical surroundings, we may eliminate this element, and say it is a law depending on human nature. It is a law of men in the social union that they must come to private property at a certain stage, but whether that is the final stage is a different question which we will hereafter consider. We only note here that no society has ever yet passed beyond the stage of individual property to nationalised or common property, though in modern societies there are certain facts indicating a tendency in that direction.

It cannot have been an accident, because so many communities developing independently have all come to it. It cannot have been a matter of arbitrary choice on the part of men themselves, in which some nations might choose one way and others differently, some preferring common, others individual property, for as matter of fact, as we have already said, all came or have come to individual property. It was neither a matter of chance nor of choice but of necessity that man, the pre-eminently social animal, who cannot live without the labour and help of his fellows, and whom accordingly we should rather have expected *à priori* to have been communistic in his instincts, should nevertheless come to some understanding with his fellows, or else that his leaders should devise arrangements resulting

in the partition of the earth and the things of the earth amongst individuals, to deal with their portions as they please. Men, like the bees and the ants, must work in common to get material enjoyable things, and yet, notwithstanding the community of labour, there is not, as with the bees and ants, a community of goods. In the infancy of the species there does appear to have been this communism, but as men progressed in civilisation they abandoned it, and came to individual property. Why was this? What were the causes which led to this universal and, as would appear, inevitable result — a result which, conceivably at least, might have been different, and which, had it been so, would, in the opinion of some of the greatest of our species, from Plato to Rousseau, have spared our race from endless and immeasurable evils.

In fact the institution of private property in land was, according to Plato, Rousseau, and More, the primal and capital social blunder into which our species was betrayed, the true 'fall of man' socially—a blunder and a crime to which is referable all our social sorrows and sores, all the shallows and miseries of man's earthly voyage. It was the crime of the selfish and unscrupulous ones, first condoned and then sanctioned by lawgivers accepting the logic of accomplished facts, though with reluctance, as the precepts of Moses and Solon, favouring a partial communism, clearly show—a crime which handed over the possession of the earth to the selfish, the cunning and violent part of mankind, and a crime with unescapable evil consequences for ever, unless by a return to the ancient and opposite system. It is late to correct the

error, but not wholly hopeless according to some; it will take a most violent social wrench to get on the other way, but, save by effort in that direction, there is no hope of social salvation, and no amelioration of the lot of man on earth is possible.

The inquiry is evidently of the first importance at the present hour, because from it we might hope to learn, not merely, if private property has been a necessary evolution, why it has been so, but also whether it is an eternal necessity in its present nearly absolute character: for there are those who hold that private property, as at present defined by systems of law, is but a stage towards a still further development, under which the formidable and admitted evils, social and moral, now accompanying it and traceable to it, may be escaped, or at least greatly mitigated, so as to leave us only its good—the essence at bottom sound and wholesome, without the evil accidents and accretions.

But it is well to state here that the scope of this work does not allow of an exhaustive inquiry. It only permits me to indicate the chief lines of inquiry, to make use of the most accredited results and the chief considerations that bear upon the argument. I shall have occasion to draw upon the conclusions accepted by the best authorities, and from these, and perhaps also from their more probable hypotheses (for there is a good deal of mere hypothesis in the writings of even the best as yet), I shall endeavour briefly to present the essence of the inquiry and argument, drawing thereafter some further inferences which seem legitimate, the truth and significance of

some of which have not, in my judgment, been fully perceived.

§ 3.

We suppose, with the best authorities, that private property was not a primitive institution coeval with the human species, though there are some who incline to the contrary view. But even if we only suppose that all historical societies at some time had communistic institutions and afterwards broke away from them, which appears to be sufficiently established, our problem—Why they came to private property, having been before in a communistic *régime*—would present itself. The solution of the problem may be attempted in two distinct ways. We may try to show how it happened in the case of each particular people as a matter of fact, which we could only do by a critical examination of the records of the particular people, and chiefly their own records, including under the term not only their archives, but their literature, their laws and institutions, and their customs and manners, so far as disclosed in the former. This is the method most in favour at present, the method of the modern Historical School, which has been applied with much ingenuity and effect by Sir Henry Maine to the cases of several races, both ancient and extant—the Hindoos, the English, the Romans, the Celts, the ancient Germans, and the Slavs. The defect of the method is that it requires all cases to be examined before we can hazard a general conclusion, and the method being still comparatively new, it is not possible within the limits of a single generation, nor perhaps for several generations, that

the conclusions proper to each particular people can be drawn with confidence. Nay, the cases being so numerous, the records left in some cases so ambiguous and so scanty, and requiring moreover such knowledge and critical sagacity and faculty of rightly interpreting and inferring, there are some cases in which the right conclusion might remain doubtful for ever by this method. Nevertheless, the method has borne important fruit already, and by the conjoint labour of the many able investigators in the field it will assuredly in time bear further fruit, sufficient to give us a general and highly probable answer to our immediate question.

The other, the deductive method, as it is called, is more ambitious and less slow in drawing its conclusions. It attempts to deduce private property as a necessary consequence from the general nature of man, conjointly with the physical conditions that surround him and always coerce his actions. Given his general nature, the same as respects its elementary needs in the savage and the civilised man—that he must live by food, that he requires in most cases clothes and house-shelter, that he has an irresistible propensity from nature to reproduce his kind, that he prefers his wife and children to all others of his clan or fellows, and the like;—given the physical circumstance that, where he has settled down to live by the cultivation of the ground, he requires an ever larger soil to support an increasing population;—the method would go on to show that private property in land must certainly come from the necessities of the case, with a certain density of population and development of social life, though it be uncertain at

what exact time and stage of development this will happen, and though the time and manner and degree may vary in different cases with the soil, the climate, the acquired habits and dispositions of the different tribes and races. A time and a stage of development infallibly comes for all the progressive families of mankind, even for those who first progress and then cease to do so, for all except such low types as those of the Australasian aborigines and the Red Indians, when groups of men, settled down for purposes of cultivation of the soil and other labour subsidiary to this, or labour generally necessary, will find after long confusion and sad experience the absolute necessity for the recognition and acceptance of private property in land as the only possible agrarian system. And the common consent of the clan, scattered sparsely over a considerable area, the selfish acquisitiveness of the heads, who may hope to get a larger share, the inter-tribal wars and conquest, all conspire to the same end.

Now the defects of this method too are obvious. The more general its conclusions, the more easy to be made, the less are they to be relied on as agreeing with the historical fact. For the nature of men, it may be objected, is not the same everywhere and at all times. It is infinitely variable. There is no general nature of man, as there is a general nature of the tiger or the reindeer, or if there be the part common to the whole human species is extremely small, being limited to his primary animal wants, his good and ill affections, his love and anger. Still less are the physical and external surroundings the same or similar. The soil, the climate, the physical

features vary endlessly, while the contiguous human environment, on which so much turns,—the outside clans or tribes, may be near or remote, hostile or peaceably inclined. How, then, from this very slender common humanity and this diversity of surrounding circumstances, are we to get a general scientific theory of private property? How to construct an argument embracing all cases in their speciality without sacrificing fact to verbal generality or mere hypothesis? It cannot be done. Should, however, the method depart from all-embracing arguments and deal with special cases, it is then obliged to adopt the historical method, and the more it has recourse to the physical facts that are and the historical facts that have been, the more it falls back on it. On the other hand, the historical method, as we see it worked by master hands, is constantly obliged to frame hypotheses, to accept general principles of human nature, and to reason deductively from them, while its conclusions are very often merely conjectural, so that, in fact, we are driven to the conclusion that the proper method is a due mixture of the two. Each method, when most effectively worked, draws on the resources of the other, so that the true method will try to get at the facts as far as possible: where the fact is doubtful will search for it with the help of the deductive mode of search; even where the fact is indubitable—as it will often be—it will endeavour to explain it by an appeal to principles of human nature.

We must interpret the historical fact by the general principle which it comes under, after we have brought it under; on the other hand, we must

be prepared to narrow too general principles in accordance with facts and the qualifications imposed by the history of each separate society.

§ 4.

The conclusion at present favoured by the balance of authority is that in the beginning—that is, so far back as any reliable records reach—men lived together in patriarchal groups or clans, and such possessions as they had were held in common for the group and by the group. All belonged to all, with the exception perhaps of dress and personal ornaments. There was a primitive or 'natural communism,' as it has been called. We do not find the individual savage of Rousseau, innocent and uncorrupted, roaming the primeval woods, living on fruits or roots, and clothed with the skin of the animal slain by him in single combat. This is a pleasing hypothetical picture, completed by deductive reasoning unconfirmed by historical knowledge. Even the solitary hunter or fisher is rarely encountered, for sundry reasons, the chief being the very great danger of an isolated life and the difficulty of subsistence without co-operation. Esau certainly was a cunning hunter, a man of the field, but he was also a member of a patriarchal family.

No doubt our species existed long before the most ancient records of it were written, and if we are to believe the Darwinian hypothesis man must have existed ages and ages before the light of history shows him to us. We get a momentary and very faint general glimpse of him as the Prehistoric Man, more specifi-

cally as the Cave-man. But the light thrown on him is as yet very feeble. All that we know of prehistoric man is as yet matter rather of speculation than of science. Somewhat less hypothetical and more real, if also less agreeable, than Rousseau's savage, the prehistoric man and his ways are still only a subject of hazardous, though very interesting, conjecture. Would that we were really better acquainted with him, for then we should begin at the true beginning.

But, assuming the truth of the Darwinian hypothesis, man may have been evolved and elevated from a group, and so may have had communistic leanings from the first, or he may have been a lucky picked specimen sprung from a single superior pair of 'man-like apes,' as Professor Hæckel would style his nearest of kin in the animal kingdom, in which case he would have started his precarious career alone, and most likely with a natural instinct for individual acquisition. The former is the more likely, inasmuch as the accident or necessity which produced the superior specimen would not unlikely be repeated again and again, and there might be several such superior ones, which would prevent the advantage gained from being lost by death of the single one or the single pair. It is therefore more likely, on the Darwinian hypothesis, that man began in a community, and at all times found alongside of him his fellows closely resembling himself.

But, however this be, so far as history speaks with any confidence on the matter, she shows us man at first, but still late in his career, in a community with goods in common. The group or clan is assumed to

have a common origin or ancestry, and the community of blood has carried with it community of property. There is no such thing as individual property, and the conception, 'This is mine,' would scarcely rise in the minds of any members, save perhaps in a vague way in the mind of the chief or head, who, we find, is sometimes spoken of in the records as the owner of all the property of the family, and if not also of all the persons composing it at least of the slaves, that invariable adjunct of early patriarchal communities. But this is but a mode of speech, the ideas connoted by which differed even very considerably from those which we would attach to them. The reality was that property belonged to all, and only such portions of it as food became the momentary property of individuals for their use, but not for their appropriation or accumulation. Even their food was not property in our sense. It was apportioned out under the direction of the head, who was merely the administrator. It was not his to give or to keep, and it only became the property of the individual recipient in a very narrow sense. It was his only if he used it, and only to the extent of his use, otherwise it reverted to the common stock and store, and so was not individual property in our sense. Nor was it much otherwise as regarded clothes and personal ornaments and arms. These were not at first conceived as the property of the wearers, but rather as something belonging to all, and lent out to the individuals, which reverted to the community at their death.

It is, however, to be noted that the outstanding claim of the community to these things, which to be

used at all must be the adjunct of some person, tends to become faint. And it is in these things that private ownership begins. That of which I am allowed the usufruct while it lasts is as good already as mine, though in theory it belongs to others. It is only not mine to give away in life or to bequeath at death. If I may use the coat till it is worn out it could not be more mine, unless I had the power to give it to some selected person. It is not that the coat belongs to the maker—in primitive society it is not so, because there may be only one maker, and he could not put in a claim to all the produce of his labour without denuding the backs of others. He makes the coats, which go into stock, to be given out to individuals. Gradually it comes to be thought his who wears it, because he has the exclusive use of it.

§ 5.

According to the Roman jurists, and according to Blackstone, who copies from them, private property in the earth's surface was first acquired 'naturally,' by Occupancy. The exclusive use of a part of the earth was to him who first occupied it, as its natural fruits were his who first came upon them and took them. But this exclusive use was at first only temporary. The place occupied was the occupier's only so long as he was there. If he vacated his ground, gave up his place of shade or shelter, another might claim a like temporary use. Afterwards, however, the theory goes on to say, 'When mankind increased in number it became necessary to entertain concep-

tions of more permanent dominion, and to appropriate to individuals, not the immediate use only, but the very substance of the thing to be used.' Such is Blackstone's theory of the origin of private property, and chiefly of private property in land. To this, which is also the popular theory, Sir H. Maine objects that it is not true, because it regards only individuals, of which 'ancient law knows next to nothing.' But though the theory of occupancy is a wrong theory of the origin of individual property, it would be in great measure true if Blackstone had applied it to explain the joint property of primitive groups and tribes. Occupation conferred a temporary title to the patriarchal pastoral group, as it did afterwards a permanent one to their descendants when they settled to agricultural pursuits.

It would seem to be established, as regards countries previously unpeopled, or only very sparsely peopled by hunters or other nomads, that occupation constituted the original title to landed property. But this property was not individual but common property. Further, for occupation to confer a title, it was necessary, were there any people, however few, in the country already, that the occupation should be backed by force, as the Puritan emigrants who colonised New England, with the Red Indian in the distant forest to dispute their claim, quickly discovered. Occupation would be considered a sufficient title as against other immigrants of the same people or tribe, and would probably be respected by these latter; but force in addition to occupation would be required to make the claim good against all others, whether the claimants already on the ground or other immigrant groups of strangers,

who might afterwards come to dispute possession with them.

There are thus really two distinct cases—the case of what may be called colonisation, or first settlement of a wholly unoccupied country, and the case of conquest. In the former case first occupancy gave the title, but it owed its efficacy to the fact that there were none to challenge it, and next to the fact that newcomers of the same race or stock, from feelings of kinship, would not challenge it, while even a stranger tribe would respect the fact of possession so long as there was abundance of equally good land to be had without the risk of fighting for it.

But, to found a claim to ownership, occupancy must imply, beyond the mere fact of encampment, an intention of remaining—as the Roman jurists held with regard to individual possession. Now if this intention is so strong that it will assert itself, if needs be at all costs, against all comers and claimants, the title or claim really reposes upon force in all cases where it can be challenged; and where it is not challenged because, as in the case of previously unoccupied lands, there is none to challenge it, it rests on occupation coupled with the intention of staying. Otherwise the occupation would be mere temporary encampment, like that of the Turkoman hordes or Bedoweens. 'This is ours because we are here; we intend to stay here; and, besides, there is none to dispute us,' is the essence of the matter in the first case. 'This is ours because we are in possession of the ground on which we are; we further mean to stay here and to hold as much of the land as we require for our needs against all comers, by our good

arms if necessary, though without prejudice to others' claims to outside land,' is the full meaning of occupancy and the title it gives in the second case.

But now what shall be said of the case, so common in early times, of the migrating tribe or group which on arriving finds the new country already all occupied, with no vacant or unclaimed land. It is now really a case on both sides of making good your claim by the sword. In ancient times no other idea would be thought of. The new-comers would not respect possession, would have no idea of abstract rights vested in the possessors. The earth is not to the possessor by Nature's or God's appointment. It is to the good sword and the stout heart by nature's appointment, and the weak shall serve the strong. This is the case that fills all history, almost down to this hour. This is the case that marks the grand course of history. The Jewish tribes conquered Canaan, the Saxon tribes conquered England, the Teutons broke over the Western Empire, repeating what the Celtic hordes had done ages before.

The title of occupancy will indeed be recognised in this case, but it will be the victor's occupation of the battle-field on the night of the battle, and, if he pleases, of the surrounding country on the morrow, from which the vanquished will have vanished if they have not surrendered. If the intruder is the victor, as so often has been the case, the sword will be the real land-giver, conferring indisputable title, as it did to Saxon pirates, Norse sea-kings, Norman barons with their retainers, and all invading tribes of early history. The sword will either confer a title on the invader, or confirm the title of the original holder, so that in

all cases the sword, actual or potential, gives to occupancy its real validity, its real title. It gives it in every case as between different tribes and peoples, and it is only between groups of the same people that occupation alone will be recognised as conferring a right to possession. Even here it may be doubted whether it would be sufficient without the collective will and with potential might declaring in favour of the right of the first occupant. In invasions such as these occupation will be recognised by fellow kinsmen or tribesmen who follow, and in proportion to the nearness of the kinship. These will precipitate themselves, not on their kinsmen, but on the original people elsewhere unconquered. They will not, as a rule, make war on each other until the easier and more profitable task of conquering or driving into poorer regions the native inhabitants has been accomplished, after which inter-tribal wars may quite easily commence.

However, into the new country the new-comers, whether invaders or colonisers, will bring their old social organisations, customs, and notions respecting property. Thus the primitive Russian village community reproduced itself endlessly in new village communities, which spread everywhere east and north through the immense desert regions of Great Russia in the ninth and tenth centuries. In like manner, the Saxons introduced from Germany into England in the fifth and sixth centuries the German village community, akin in type to the Russian, but with less pronounced communistic features. Now, according to the theory of a primitive or natural communism, the village was the original social unit—the organic

social cell, as M. de Laveleye calls it[1]—the village peopled by kinsmen descended from a common ancestor, and claiming a certain amount of land held in common. So long as there was abundance of unappropriated land the village might safely increase in population. In fact, the mother village threw out—gave birth, as it were, to—one after another younger villages, reproducing faithfully all the features of the parent village; that is to say, the excess of population moved off to unoccupied land under either an elected chief or a cadet of the ruling family, and modelled itself on the parent village in all its social arrangements. The villages thus increased by multiplication, and extensively. Afterwards, when the whole country became covered as respected its best land, the population still increasing, a different process set in. At first there was unlimited land; now each mother village had to reproduce and sustain its increasing numbers within a fixed area of territory, and henceforward the villages increased, as it were, by self-division, somewhat after the fashion of those elementary organisms observed by biologists which do not reproduce their kind in the normal manner, but by halving themselves, and again repeating this self-bisection. The village divided its land, and what had been one village became in time three or four, settled on parts of the same original area of land. It sent forth a part under a head, and gave it a part of the land. It repeated this process several times, probably initiating imprudently the principle of primogeniture, in giving to the first-born village a larger landed endowment than those later born. Thus the

[1] See also Maine's *Early History of Institutions*.

mother village could afford to increase and continue to flourish, but only by more careful intensive cultivation on the part both of herself and offspring. The daughter village in time did the like; and there were not only daughter but granddaughter villages. Meantime the mother may have increased to the dimensions of a town, to be the future city. But the result of the system was an ever greater division of the land originally claimed by the mother village. She had alienated more and more of her property. The land has been more and more divided, but it was still divided amongst and appertained to groups, not individuals. We have not yet come to individual ownership of land, though we are coming within sight of it.

Beginning with communism to attain by degrees to individual property was the rule; to adhere to the communistic holding, as in the Hindoo, Russian, and Southern Slav village, was the exception. Thus the Jews had already reached individual property before the law of Moses was written, and a good while before the time when 'each man sat under his own vine and fig-tree,' or when Naboth of Jezreel refused to sell his inheritance from his father to king Ahab. The German tribes had reached it when each freeman got his division of the Mark, and the Anglo-Saxons in England, at least in the case of the lords or chiefs, long before the Norman Conquest.[1]

Now it is a question for the believer in this universal primitive communism—what were the causes which brought generally about the adoption of private

[1] See Seebohm's *Eng. Village Community*, for a different theory as to the German tribes.

property in land previously held in common? The question rises up even for the opposite school in another form, for if private property were from eternity, we inevitably ask why it should have been so. What were the reasons that prompted it to men spontaneously? And a further question arises for both schools. Now that we have reached private property in land and all other things, do the reasons which make for it, whether it be natural and eternal or only slowly reached, still hold good? In particular, is private proverty in land to be regarded now and henceforth as the best and justest as well as the final system, or haply is it itself but a stage towards a new and more developed communism, or some system which may unite the best features of both? These are the questions which we have to consider.

§ 6.

With regard to the first question: What led to individual property from communism, let it have been more or less complete? it is to be observed that the habits and mental disposition slowly impressed by climate and previous history in the hunting or pastoral stages had to do with the change. Certain tribes and races, like the Russians and Celts, as described by Cæsar, were more social and gregarious; others, like the ancient Germans, whom Tacitus describes, would be disposed to isolation, which favours individualism. The former would have a natural leaning to communism and the latter to individualism from the beginning; the individuals in the former case being more attached to their kind generally and to each

other, and having a greater liking for each other, than in the latter case. The members of the German Mark did not live together in villages in Germany, but in isolated farmsteads widely scattered as each one fancied, so that the bond of community tended to wax faint. It was only their Anglo-Saxon descendants, who found the necessity of greater social condensation in villages as a defence against enemies, first the Celtic Britains and afterwards against each other, in an age of general war.

With regard to the Hindoos, who have longest maintained the village community, there are special reasons. In a country under the sun, subject to periodical famines and droughts, with an unwarlike indigenous population subject to periodical invasions, communism of a certain degree could alone save them in former times.

In the case of all nations who have reached individualism, that is, in the case of nearly all peoples, there is no doubt that what may be called the instinct of property played its part—that instinct of appropriation so early manifested by the infant, the seemingly natural and spontaneous desire of the individual to have a thing to itself, to do as he pleases with it. There is also no doubt that this instinct can be repressed in the interest of the common good, and no doubt that, so far as regards land-hunger, it was repressed greatly in early times, so that wherever private property in land was reached there must have been special circumstances which encouraged the repressed instinct—circumstances special to each people, but so far universal and so far the same that they always in the long run appear, and, conspiring

with the egoistic instinct, lead to private property in land.

It may assist us to solve the question, at least as regards the few peoples that alone need be considered, if we remember that private property in land does not present itself anywhere until after the land has been under agricultural cultivation. In the hunting stage there is absolutely no property in the soil, neither collective nor individual. In the pastoral stage there is very little, and that little collective and temporary. There is no private ownership. Again, so long as war is constant between clan and clan community is a preserving force. So also is it when a number of tribes or clans invade another country. In the former case, while some of the men are at war the remainder with the women will cultivate the land, naturally held in common, and all will divide the fruits. Next year it may be the turn of these to fight and of the others to till the ground. And if the tribe is an invader, where cultivation of the ground is out of the question at first, it is that most primitive of communities—a camp, living in common on the produce of the enemy

But now suppose these invaders to have become conquerors, and to settle down in time to peaceful agricultural pursuits, the original people having been either driven away or exterminated or reduced to a servile condition. It is now for the first time that the egoistic forces in the individual man find their opportunity and come into prominence. These, indeed, always exist in some degree, but the constant pressure of a common danger has held them in subordination, while community has saved the clan.

Only the group could live and weather the chances and perils of primitive ages. Moreover, surrounded on all sides by danger, the internal bonds and cements of the group, without which communism can nowhere live, the natural feelings of brotherhood and affection are much intensified, as witness the early Christians, where common danger promoted the mutual love so constantly inculcated by the Founder, who clearly saw that it was the sole condition of community. Take away the external danger, remove the absolute necessity for communism, and all the forces and propensities in man that make for private property, his greed and grasping as well as his better instincts, at once come into play. Take it away, and all the characteristics of man, the egoist—who by his inmost nature cares first and chiefly for himself, afterwards for wife and child, as a sort of extension of his 'Ego,' —at once start into active and aggressive life. It was the interest of this dear inner egoistic group—the family group cut out of the larger group—that wrecked the clan, the part that destroyed the whole. It was the family that destroyed the community, and it is the exclusive interest of the family, not over well understood, that to-day stands in the way of a return to the more rational parts of communism.

§ 7.

Moreover, there are reasons of policy, economic and general, as well as of conscience, if not sometimes of necessity, for it. The head men or elders of the village have come to the conclusion that the best way to get the largest produce from the soil is to make a

fair division of the arable lands amongst the several householders, reserving the wood and waste, and the pasture land after the grass crops are removed, for the common use.

They rightly think, knowing and seeing the strength of the self-regarding instincts even in their community, that the surest way to secure the most careful and industrious cultivation of the soil is to assign to each his share to be cultivated for his own use, at first only for a single year, afterwards, as holders objected to changes, for longer periods; till at last, by a sort of Natural Prescription, the householder, who at first only had the use of the land in order to get thereby his share, which even under strictest communism, with co-operative farming and common storehouses, he must have finally got, comes to be regarded as the landholder for perpetuity, and his children the natural heirs of his interests in the land. The case where there was a single head or chief requires to be considered separately, but even here we can see that this system of division amongst the clansmen would generally find favour with him, because he would be able to get higher dues from the increased produce, as well as to increase the portion of land already assigned to himself.[1]

Knowing that each must finally get his share of food even under communism, the best way, the wise men think, will be to make his share rise and fall with his own exertions, and this can only be done by giving him a plot to himself for at least a single harvest. 'The land belongs to all of us still'—something like this they will in substance say—'but here,

[1] See § 9.

you shall have these strips to cultivate all to yourself—there are a good twenty-five acres of them—and your share of the total fruits of all our land shall be, not as before, an equal share of the joint produce, but whatever you can make this parcel of ground yield to your own labour and that of your household, subject only to a deduction for necessary common purposes. The remainder shall be yours to do as you please with it. Further, you shall have your share of the pasture land and an equal share of the cattle and sheep; but, as we shall still require some skilled craftsmen to make our ploughs and houses and tables and benches, who will not require so much land, the pasture land after the hay is removed becomes common to all, those as well as you. So also in like manner does the wood and the waste land.'

They initiated thus a great revolution, but they took pains to minimise the changes at first. This is the essence of the change, of what was thought and done, of what in a thousand instances with unimportant differences, but with ever the same general result, took place. In this way the wiser ones thought to put a premium on industry and economy and a punishment on idleness. The man will work hardest, they think, for what is to come to himself only. There is another important matter. The man has a wife and young barbarians, we may be sure, and, rude as he is, he likes this woman better than any other, and he likes his children. He will work with a will for her and the young ones, hers as well as his, and withal lively and interesting young animals. He will work in a way that would not have been

possible were he only animated by a general regard for the clan, instead of by a strong and special regard for his family. Besides, they have got a cabin of their own, and these special exclusive regards are fostered by living mostly in each other's company. If they had lived in a common building, or if the father was most of his time in his clansmen's company, these feelings would not grow so strong. But give him a house and a wife to himself, and he and she will want a piece of land to themselves. The fruit of the extra earnings of his strong arms shall go to them instead of profiting others chiefly, because formerly they went into the common fund, in which case he and they only get their share *per capita* doled out. Besides being strong and energetic, he is haply also skilful in his methods of tillage. True, all must work on a common plan, but still he fancies he can do better working alone than with others, and that his share will be greater in proportion to his superiority. Under the common labour and equal share system, the special stimulant to extra exertion being absent, there is a less total produce to be divided. 'Why should I work harder than others if my woman and children are not to get the extra amount, if they are to profit little by it, or, for that matter, my co-villagers? I like my clansmen very well, and I will do my part as things are, but I could and would do more if working for my woman and the young ones.'

Natural reflection, the above! because, unless there is strong general love through all the members, the competition under communism is rather to do the least than the most.

The principle of private property, to this limited

extent, becomes thus a principle of distribution. It solves the economic problem of the greatest production concurrently with effecting the most equitable distribution of the produce, by making each one's share depend on his own efforts. It is a sort of moral principle, to give to each according to his works, to the industrious and to the idle alike the fruits of their work or idleness.

There is another thing which would have favoured —in some countries at least—this method of distribution by private property—the physical circumstances of the case. When a man gets a plot of land to till, it is best, on a well-known principle, that his home should be as close as possible to his place of labour. Communism could only be kept up where men lived in villages with a circle of land surrounding it, where they had not far to go to their labour. If we suppose them living in scattered farms, as some suppose was the case with the ancient Germanic tribes, it would have been impossible ever to have had communism, just as it would now be impossible to have it with a system of settled peasant proprietors. At least the only form of communism that could have existed would be that of the house community, as with the Slavs, or that produced by a constant repartition of the land, which, however, some suppose actually to have taken place.

Besides, be it remembered that even under the extremest communism the individual must finally get his share allotted to him on some principle. And this share, when he gets it, is his—at least, if a consumable thing, like food and drink—so that after all even communism implies some degree of private property. The

thing becomes mine, when it is handed over to me, at any rate. The food or wine, as has been said, becomes mine when safely lodged in my stomach, as even the extremest communist must admit. Even under communism the clothes and weapons are as good as mine while I wear them; the allotted hut or house is mine, at all events to use. The clothes are mine till they are consumed, perhaps will only fit me; I have a life interest in the arms and house.

But the peculiarity of this kind of private property or ownership presupposed under communism is that things are only mine so far as, and so long as, I make an exclusive use of them. They are mine to consume, mine to use, but not mine to save, to accumulate, and to keep all to myself, if I do not use them. Accumulations and savings would not be mine but the community's. All beyond my needs already belongs to the community. What I do not immediately want, even though part of my share, is no longer mine, but belongs to all. I could not keep it for myself; the Ananias-idea would hardly occur, but, if it did, the first attempt at saving would be merely a sign to the distributors that my share was too great. 'If you have any to save your share must have been too much, and all saving must be done by us for all,' they will say. So that if I did not want so much food for my household so much would not henceforth be given me, and my present savings would, as soon as discovered, escheat to the common stock. Private savings, the source, as economists say, of individual capital and the germ of individuals' fortunes, would thus be impossible. At present, under the opposite system, with my savings I can do much; with energy, assiduity,

and astuteness, if only I am not robbed or plundered, I can do everything and have the world at my feet. Under communism I could do nothing with savings but spare the common stock. If I pinched myself it would only be for the advantage of others or for the common savings. The seeds of the plant of private property, especially movable property, would never be put in the ground, and the mighty tree of property, both real and personal, would never grow, because saving, which gives me the means of compelling others to do my bidding and to produce what I want, would be impossible.

Under primitive communism an individual would have his share of consumable things, as food and drink, to consume, but not to accumulate; of things but partially consumed by use, as clothes, a house and furniture, if he lived apart, he would have the use during his life, if they lasted so long, but he would have no power to bequeath them to his children. They would revert to the community, though there would be a tendency for his children to get them again, as they have at least a common claim to their share of such things. Of the land he would not have the use of any special part for himself, save that on which his house was built. He would have to labour on the land most likely, but the produce would go into the common stock after harvest, and his share would be distributed out to him. He would only have the ground his house occupied, as much as his back covered when he slept out, and the final six feet by two when he died. Such and so limited would be the extent of his proprietory rights under communism.

§ 8.

But even when the elders or magistrates or head men of the primitive village gave to individual householders their separate plots of ground to cultivate, they did so, as already said, partly from physical necessities and partly to secure a larger total produce as well as a more equitable if not equal distribution. They never meant to give the land absolutely to him as its owner. They only meant to give him a right to the fruit of it and of his own labour, as the fairest way of giving him his share, which even under the completest communism with a common magazine for provisions he must have got. They still reserved the pasture lands and the wood and waste as common property. They reserved also certain dues from the cultivator in the nature of a tax or rent for common purposes, and they still, in their character of governors, asserted the right of the community to the *dominium eminens*.

Even if the elected heads of the clan or community, with the unanimous and full assent of the individuals, had given the use of the land to the individual householders during their life, with power to pass on their tenure to their children after them—a result which would have gone very far towards private ownership as now understood—still, they must have reserved the superior ownership of the community, and the power of resuming its pre-eminent rights, which were only temporarily parted with, and for the supposed general good. Having parted with them in the supposed general interest, they, or rather the com-

munity, could resume them, if the result appeared in time to conflict with the general good. If all agreed to divide all in the interest of all, and they or their posterity afterwards find that they have made a mistake, particularly as regards the land, they can restore the original system. The head men could not, in fact, sign away the superior rights of the community in perpetuity. The community itself could not divest itself of them even if the majority or all of them wished it, for the majority might not be of like mind in future generations, and the will of the community that should prevail, however difficult to gather it, is always the living will of the then existing community.

In fact, we see now that if society anywhere began with the village community, under a council of elected elders or head men, such community could not morally dissolve itself in the supposed interest of its own individuals by parting with its communal rights over the land. The most it can do is what the great majority of the time requires it to do, because that majority represents its will, and if the majority decides for private property, it can introduce private property to the limited extent above mentioned. But even so the will of that majority only binds the community for the time being. It cannot bind future generations if they should come to discover that private property in land is attended with greater evils on the whole than benefits.

The community could not thus part permanently with the paramount claims of all. It could not divest itself of them of its own accord. The most it could do would be to allow the use of the land to individuals for a term—a year, a number of years, or

for life—subject to communal dues, and subject to re-partition and re-grant at the end of the permitted period of tenure. Such community, or whoever is permitted to speak in its behalf and with its total authority, could not allow to the individual, be he communal tenant or temporary partial owner subject to communal dues, the power of alienation or of bequest. It could not permit the succession to pass as matter of course to the children. It certainly could not permit it to pass to one; for that would initiate inequality; nor could it even permit the power of equal division. It must reserve to itself the power of regulating successions, but property that as matter of course or custom goes to the children would be tied up and beyond its reach and control. It might itself take a part at the parent's death if he had grown rich, and if its policy was, as we suppose it to have been, to prevent too much inequality. Nor could it for the same reasons allow individuals to increase their holdings by those of other individuals, through special arrangements made with each other, because the result would soon be inequality, the overgrown wealth of some and the impoverishment of others. It could not allow such freedom of contract unless within strict rules, so long as agriculture constituted the main occupation of the clansmen, though if there was a demand for artisan or other labour of a non-agricultural kind, those who had learned the other crafts might be permitted to part with their land, in whole or part, in return either for part of the produce or, if money existed, for a money equivalent. But unlimited freedom of contract could not be permitted in the little com-

munity, unless we are to have rich and poor, and, soon, masters and slaves. All such freedom would speedily destroy or sap the very essence of community.

The heads of the community, we see then, could not grant away the rights of the community without a treason to their trust. Even had they tried to do so, and afterwards had their action ratified by their fellow-clansmen and constituents, they could not morally speak or act for more than their contemporary clansmen. The community could not part with its powers, its indefeasible rights, even if every head and every man agreed to do so. They could not part with them themselves, still less could they thus bind posterity. They could indeed all agree to divide the land and to maintain private property if it seemed to all the best arrangement for all. It would have been a total revolution in fact as well as in idea; but they could have done so, to the extent before mentioned, and no farther. And if they had wished to preserve equality, the limits would have been drawn closer still. But even had they permitted absolute private property, they could only have regulated for themselves, not for future generations, in which the majority might find themselves stripped of land and all else by laws made ages before they were born.

The community could not deliberately denude itself so far as to abdicate its most fundamental power. It could not do so, either morally or legally, if the latter word can be used when speaking of a time remote, when law was only custom. It could not commit social suicide by right, natural or other, and for ages the idea would hardly occur to any of

the heads, or the first suggestion would have been regarded as the promptings of the Evil One. But we are already on the downward slope to the abyss once lands are let to individuals for long periods or for life. There will be no stopping short of private property, extreme inequality of condition, and total dissolution of the community. For now the interests of the children come in, and it seems hard that they who have already been a sort of part-proprietors, and who have always lived and laboured with their father to improve the land and to increase the goods and substance, should not inherit them both on his death. The land is looked upon as naturally their patrimony, to be divided equally, although it may be in some cases held in common, with the right in each member to call for a division. Moreover, what seems good and just in each case seems good and just for all—a principle, true when first made and applied to the division and inheritance of lands, but which becomes unjust and inapplicable to future generations unless accompanied by fresh divisions. The principle of inheritance, the corner stone and completion of the principle of private property, was, however, slowly and naturally introduced; the hand of the community gradually relaxed its power over the family unit and the individual; re-partitions fell into disuse, the very tradition of them became forgotten; till finally we find each man sitting under his own vine and fig-tree, the owner, like Naboth of Jezreel, of his father's inheritance.

What really happened then was a slow transition from a primitive communism to individual property, in land as well as in all other things—a very slow

transition, because in most countries there are still—after centuries filled with wars and conquests and changes—traces of the older system, while with some people, as the Slavs and the Hindoos, it survives to the present hour. The change was brought about, wherever it took place, by the necessities of things, by the discovery of the useful arts and the consequent division of labour, by the rise of towns, by the growth of civilisation and the enlargement of human life, which made the more enterprising wish to leave the community and go to the towns; by the love of liberty, by the egoism and selfishness of individuals, who saw their way to riches and power under the new *régime*. It was a slow evolution, a necessary evolution in societies destined to progress, although in the end it resulted in the greatest possible revolution, in the break-up of the primitive equality of conditions, and finally in the subjection of the many to the few in all countries where it took place.

The village community could not be recalled to life. It belongs to past and perished social and civilised conditions. Even where it remains it is breaking up, as in India, in Croatia, in Russia. With difficulty could it be restored in the Highlands, as the Report of the Commission of Inquiry into the condition of the Crofters recommends. It could not be restored with advantage for many reasons: the steamship and the railway would break it up; the Greater Britain and the America beyond the seas; our migratory habits, our love of liberty, our selfish and individual habits—the product of two thousand years of the opposite system—would all help to break it up again.

At most it could only be restored for the re-

sidue, after the best and most enterprising had gone to the towns, to individual farms, to America or to Australia.

§ 9.

In the preceding pages we have given what may be called the natural origin and development of private property, particularly as regards land. But there is another origin, different from this, and yet in its development constantly acting concurrently with it. There is the origin of force. Property had its origin most commonly in external war and conquest, or in internal usurpation or force, direct or more or less disguised, usually by the Chief of the clan or community, sometimes, in troublous and anarchic ages, by another bold usurper. We have already seen how the collective property of the clan had frequently its origin in wars. We have now to show how private property has had a similar origin.

Had there been no inter-tribal wars, the primitive community would for a much longer period have preserved itself in its primitive condition of equality, and what we have described as the natural and necessary course of things would have moved at a much slower rate. Private property would indeed have come without war, in the course of development and civilisation; but, as a matter of fact and history, it mostly began with wars, and its *régime* was accelerated and intensified chiefly by wars.

These arose from many causes, chiefly from disputes about tribal lands or about women. The wars led to conquest, the acquisition of land and slaves on

the one side, the loss of land and liberty on the other.[1]

He who led in the wars, usually the hereditary chief, in whose veins was believed to run the purest and best blood of the common ancestor, sometimes the bravest amongst the nearest in blood, sometimes, but rarely, the bravest and worthiest of all, got the largest share of the conquered land, his choice or the largest share of the other spoil including the captives, his share of whom became henceforth his personal slaves. Here we have inequality in the tribe. But why, it may be asked, did the chief receive a larger share of the land and other things? Only because he had had already assigned to him, as marks of honour and deference and allegiance, the choicest raiment and food and best house, because he already had a portion of land around his stronghold marked off specially for his use, even while the remainder of the land belonged in common to the tribe.

Private property is thus presupposed, and begins with the chief's share, though all the rest remains common. And, according to Sir Henry Maine, our peculiarly absolute notion of private property is to be traced to this primitive original—to the

[1] It would seem, according to Herbert Spencer, that there were inter-tribal wars—that is, wars between people of the same race but of different tribes—before there were wars between the larger aggregations or peoples, and that slavery resulted from the inter-tribal wars, while only predial serfdom, a mitigated form of slavery, resulted from the conquest of a whole people—a view not without difficulties, inasmuch as, if true, the first slaves would be more or less nearly connected in kin with their owners, while the later serfs would be strangers in blood, and the former, kinsmen, would have been treated more harshly than the strangers—a conclusion inconsistent with what we know of the strength of the ties of blood in ancient societies. Most probably, in the second case, the people were made both slaves and serfs, some one, the majority the other.

growth of the power of the chief on his domain land.

The power of the chief grew continually through his larger share of the conquered land and slaves; by his usurpation of part of the common and waste land of his tribe; by receiving as recruits deserters from other tribes; by the gradual surrender of his own tribesmen's land to him in return for stock or outfit after it had been partitioned amongst them, to be re-granted to them as dependent tenants; by the planting of the waste land with servile colonies wholly dependent on him; till, finally, we have a whole country covered with the domains of the several chiefs, together with a number of village communities, the inhabitants of which held their land from the chiefs in more or less servile conditions.

This was substantially the state of things in England long before the Norman Conquest and the introduction of feudalism, even so early as the laws of king Ine and the Saxon Conquest, as Mr. Seebohm is at much pains to prove in his learned and interesting work on the English Village Community. There does not appear to have ever been in England the free village community, but always one under an over-lordship, for without touching on the disputed question as to whether the German tribes, as described by Tacitus, were communities of free men living in villages, it is certain that their descendants had passed to the stage marked by chiefs, with property and slaves, before their invasions of England. That there was a tendency towards the manorial system is acknowledged even by the authorities who deny its primitive existence, and it would seem to be decisively

settled that this system prevailed in England from the time of the Saxon conquests at least. There was in England then, in Anglo-Saxon times, a village community, but a servile village community, or, more strictly, a community under a lord, with three degrees of serfs under him,[1] the ceorl, the cottier, and the slave proper. And this village maintained a continued life all through the troubles of the Danish invasions and the Norman Conquest.

In this system, both before and for a long time after the Norman Conquest, there was both private property in land and a kind of communism. The lord owned the land of his own demesne absolutely.[2] The villagers, in serfdom to some extent, owned the land they held from the lord—that is to say, after their fixed dues in kind or labour or money were paid they were not subject to ejectment, the land went to their children, while the wood and waste, the meadow after hay-time, and the arable land after the crops were removed and until next ploughing, belonged to all, to the extent that all, even those living chiefly by non-agricultural work, might use the last for grazing, the wood for fire, to make rude utensils, or for other purposes. Further, there was a common system of cultivation, and there was an approach to equality, within each grade of tenants.

[1] See Seebohm's *English Village Community*, chap. v., *passim*. There were the *gebur* or *ceorl*, who had to render *gafol* or tribute, and work so many days per week; the cottier, who had small holdings of some few acres, who had also to render services and dues; and the *theows*, or slaves pure and simple, who were bought and sold in open market, to be exported, says Seebohm, as part of the commercial produce of the island.

[2] Saving only that after the Conquest all lands were held of the king as Lord Paramount and were liable to military duties.

By degrees the compulsory labour dues were commuted into fixed money payments, and so villenage ceased, as far as regarded the cultivators of the soil. The lord was now conceived to own, not merely his own domain, but the land let out to the tenants, for so the feudal lawyers at length interpreted his position in most, though not all, cases, though, in truth, he was only owner of it to the extent that he could claim certain dues of the nature of a tax levied by him on the land. He was not owner of it to the extent of doing as he pleased with it, or of making wholesale ejectments for his own advantage, and when such a thing was attempted in the reigns of Henry VII., Henry VIII., and Edward VI., it excited general indignation amongst the people, and finally two formidable insurrections. We had our Peasants' Wars in England, as they had them in France and Germany, only that ours, if attended with less horrors, were more frequent.

Into the long story of landed property in England subsequent to the Norman Conquest it is not necessary to enter in detail; how there was a struggle with ever fluctuating fortune between the lords and the people; how the fortune of the latter, low at the Conquest, and for 200 years after, began to rise, and rose steadily till the middle of the fifteenth century —the golden age of English labour; how the tide turned, and their fortunes steadily sank for a century from various causes, including the plunder of the abbey lands, the conversion of arable land into pasture (a terrible century for the people, during which they rose again and again in insurrection); how the yeomen proprietors, who held their own so

long, gradually disappeared in the seventeenth and eighteenth centuries, being bought out by the great proprietors or by new moneyed men from the rich commercial centres; how the class of capitalist farmers at competition rents gradually took their place; how the common lands were more and more appropriated by the landowners, till the year 1845—all these things have been told at length, and it is only necessary here to note the final result to which we have come—viz. a small number of great landed proprietors, a comparatively small number of tenant farmers, with a large number of agricultural labourers working for the large farmer for wages, but with no other interest in the land—a state of things which for various reasons all parties are agreed requires an early change.

CHAPTER IV.

COMMUNISM AND PRIVATE PROPERTY.

§ 1.

ACCORDING to some[1] the desire of property in man is an original instinct, like that which is shown in some of the lower animals. Thus Herbert Spencer instances the dog, whose feeling of proprietory rights unmistakably evinces itself should another dog dispute possession with him; and even if we should object that the dog's instincts have been corrupted by his long alliance with man, we have abundant traces of what looks like property amongst other animals in their natural wild state. The lion has its own lair, the possession of which the other lions dispute not; the fox its own hole, which allows no intruder. So, too, the bird, however gregarious, has its own nest, constructed by its own labour, which the others invade not, excepting only the cuckoo, which makes use of the labour of others, usually exploiting the hedge-sparrow for this purpose.

In each case we have a property in immovables, the title to possession being either occupany or the fact of labour, but in each case the fact and feeling of possession exists. Moreover, as regards most species,

[1] *E.g.*, Herbert Spencer, *Political Institutions*, p. 628.

on one or both of the parents devolves the responsibility of finding food for themselves and their young ones, apart from the rest of the species. And in each case the food secured by an animal's own exertions is unshared with others of the same species outside the family group. The hyena, indeed, may get a share of the lion's prey, but it is only what the lion, either choice in taste or improvident of the future, has left behind him.

Here we have from the beginning an individualistic *régime* of the extremest type, and without any the least mitigation or admixture of communism proper, not even with poor relief for the other starving units of the same species. Even the natural communism of the family group is very imperfect, and is all to the profit of the young rising animal, for while the parent bird slaves for the young, there is no token that the latter remember it and requite the parent in old age. Indeed the evidence is all to the contrary. The aged lion dies alone, of hunger, forgotten—a noble victim of extreme individualism, there being neither common relief nor the contributions of filial affection to fall back on.

On the other hand some types are communistic, as the bees, the ants, the beavers; others are semi-communistic, the buffalos, the bisons, and certain tribes of monkeys. The pasture ground or the forest is common, and they act in concert for protection. And the question to which type of animal man belongs—a question to be faced if we would know his primitive instincts—is in the long run, as already stated, a question of man's origin and descent. The question may prove insoluble in spite of Darwin's

theory; but even if man sprang originally from a single advanced pair of monkeys, of a non-gregarious variety, it would not follow that the descendants of the earlier ones would retain their ancestors' characteristics. If our first parents increased and multiplied, the consideration would dimly present itself, if it would not be strongly forced upon them by the dangers and necessities of their position, whether it would not be best to keep together. But if man came from a gregarious variety, he would already have had the gregarious instincts, which might later on easily develop into the communistic.

But neither on the development theory nor on any other can we know the primitive instincts of man. All that can be said is that the earliest historical records of man point to a state of communism, and reasonable conjecture and hypothesis applied to the circumstances, so far as we can penetrate to them, of his long prehistoric life, confirm the conclusion. The traces left of the prehistoric man indicate hordes or groups, not single men.[1] The very progress of civilisation, which occupied long years and ages before there were written records, implies groups of men, living in some sort of close concert, if not in a community. The inventions of tools and weapons, the discovery of the different arts, presuppose men in groups, if not in mild community of goods. The solitary man would make few inventions, and without tools and weapons would soon perish from hunger or wild beasts.

[1] An objection may be made to this, founded on the cave-man, but there is no reason to believe that he was more than an exception, a solitary man, like the solitary fisherman or hunter of later times, who preferred to be so, while the generality lived in hordes.

§ 2.

What would seem to be original and instinctive, even under communism, is the desire for a fair share of the divisible things of the earth; perhaps we should say rather more than a fair share, and this of the best quality, because even under communism, before man was corrupted, there would still be the egoistic feelings in all, which in some would be excessive.

Assuming man to be in the communistic group, he wants this share in the first instance only for himself, and he only wants enough for his daily need. More than this would be of no use, since private savings are not permissible. His desires, then, of food and drink are measured by his immediate appetite. Suppose him now to be married to one wife and to have children, which, unless promiscuous commerce of the sexes is permitted, as in Plato's and Godwin's republics, we must suppose. Our communist father and husband will now want a larger share of aliment in proportion to the increased power of consumption of his family, and he will also wish this share to be of the best quality, rather on account of his family than of himself. He will want more food, more clothes; he would like more of the ornaments which belong to the community, especially for his wife. He himself would only wish a good weapon for fighting, mayhap for hunting occasionally. At any rate, he will want a sufficiency of necessaries, and if there was any stint in the general store, he would probably wish for a larger share than a fair and equal division would

allot to him, or than the equal necessities of others will permit. But, if there is abundance, he will not want more than he and his family can use, since all surplus immediately reverts to the community, and since all private savings would be a useless pinching of the family.

But now, under a system of individualism and private ownership, all would be different, and the instincts that make for private acquisitions and accumulations come into full play. Especially in early rude societies would these feelings be strong, though confined to a simple supply of wants. Not being sure of the future, the individual man wants as much as he can get, and he wants it 'all to himself,' for the superfluity of to-day may save him from death by famine a week hence. Later, when society becomes more settled, every material thing which other men may want becomes desirable, because they may be exchanged for things he wants. The motives to saving and accumulating become thus very great, because all accumulations represent power—power over other men, power over things desirable, if society is settled and the law protects the savings. They represent future, nay, present, happiness, joy, and safety. The soul of the owner may be at ease, may eat, drink, and be merry, because he has much goods laid up for many years. More especially are savings powerful after the conveniences of money as a general medium of exchange have been discovered, for now I can transmute my savings and goods, in whatever single shape they be, into any other or many shapes—corn, wine, oil, cattle, horses, fine woven fabrics, gold ornaments, choice-tempered swords.

'I want this all to myself,' expresses the desire of private property in its simple, naked essence. A man wants a thing on account of its uses, over which he wishes to have complete control. He wants to be able to do as he pleases with it, to exclude others from its use and enjoyment if he pleases, to consume it or to save it, if a consumable thing; in general, to be able to keep it or give it or bequeath it at death.

When once the system of private property has been initiated, the saving instinct will soon be developed, because without savings the man, together with his family, may die of hunger, in circumstances where the larger associated group would hardly have suffered even temporary privation. In early times the individual man may die of hunger; the communal group could not die unless there was downright famine; and the eternal evil of the system of individualism and each one for himself is that the individual must meet all the risks and dangers of life alone, and must consequently take extraordinary precautions for his safety—precautions which would be wholly unnecessary under communism. Each one must singly take complete and elaborate precautions to save himself against the shocks of chance and to make himself invulnerable, and the most effectual way of doing so is in the general opinion by drawing to himself as much of the world's wealth as possible. Hence the ardent and feverish strife for wealth which sets in with private property, and which intensifies ever as the system of individualism grows more fully developed. Hence the result, which invariably shows itself after a time, of a few possessing it in unnecessary heaps, while the majority are left

totally destitute. Under communism, if limited only to a few joint families—nay, even to three individuals on a desert island—the dangers from the side of chance are minimised or almost taken away. If I must face fortune alone and unaided, as absolute and unmitigated individualism requires, there are times when I may be ruined materially, ebbing tides which may leave me stranded for life in shallows and in miseries, while if my fortune were bound up with a few others I should be safe and free from anxiety the while. Together we shall pull through; singly we may be beaten in detail. It is as in Alpine climbing, where singly the climber may go over a precipice or down a crevasse, but roped with others he will not, as the adverse accident only happens to one at a time, and the strength and staying power of the united system saves him.

This is the strength of communism, and that which eternally recommends it; and this it is which has caused certain communistic elements to be engrafted on our present system of individualism, not merely through the voluntary action of associated individuals, as in our friendly and benefit societies, our assurance societies, our charity organisations, in the mutual help of private friends and relations, but also in the action of the State, which, in the poor laws, comes to the rescue of those who have fallen hopelessly to the bottom in the individualistic struggle and scramble.

§. 3.

Now in the primitive communistic group, before the first division of the land and common stock, some

there would be with the instincts that make for private property in greater strength than others. Such would perceive that under private ownership they would get a larger share eventually than under common ownership. They would see that under one they would get but an average share, under the other one indefinitely great, given time and not too much interference on the part of the heads to prevent them. Let the land and other things be divided, let them be thereafter held as individual property, let things be given to me with complete power over them, and a new world begins; for now the share of the crafty and dexterous, as well as of the energetic and industrious, may be doubled, trebled, multiplied by ten—by buying and selling, by letting and hiring, by lending and borrowing, by fair means and by foul. One man's share may be increased without even lessening another's; for such a one may devise new things which others desire; he may discover a new art, for the exercise of which in their behalf others will pay; he may make new products, either by his own labour or by the labour of others, who, having spent their own portion, are constrained to labour for him on his terms; he may, finally, increase his portion by honest means or by questionable means, as others may part with their portion, and with it their freedom, in culpable, as well as noble and commendable ways.

The egoistic and acquisitive and covetous type will prefer the new system, in which he will best find his account and a more unfettered field for his peculiar genius; so also will the ambitious man and the unscrupulous man generally, though without particular bent. The first-mentioned type, in parti-

cular, who is a most important and ever-recurrent type under all possible systems, will hail the new *régime*; for, enlightened in advance by the genius of his egoism, he will perceive a boundless and glorious perspective for his peculiar genius, which had no fair scope under communism and the reign of equality. Under communism he is at best a spirit 'cabin'd, cribbed, confined.' But he will perceive with clear eye a sure road to fortune under the new conditions, under the wholly new form of the struggle for existence about to begin—no longer a struggle against hostile tribes, nature's opposition, in which there was severe toil and danger and little gain, but a struggle against the men of his own tribe first, and next against all the world, for the largest share of the world's goods, with his superior wits to back him. In the new competition and struggle he is just the sort of man to succeed, and when the first division of land is proposed he will strongly support it, and he will carry with him the votes of others of a very different stamp. The strong man, and the ambitious man, and the energetic honest man will second him; and the independent and self-sufficing man, and the free spirit that brooks no control on his actions, and the bold lover of hazard and adventure, and the man who has a poor opinion of his fellows, will all go with him in his first proposal for the partition of the common heritage, as well as in the subsequent measure affirming the sacredness of private property in the hands of the existing owners.

On the other side would be found all those who loved their tribesmen, all the good and wise who had a prescient vision of the evils and disasters of the

new *régime.* And no doubt the weak and the timid and the unenterprising, and the imbecile, the deformed, clung to the old system, fearing, perhaps, and all too truly, that they would be pushed aside or cast down and trampled on in the new.

The lazy man who disliked work of whatever kind would, at the beginning, prefer communism, under which he might hope to shirk his share of work, to individualism, where, if he did not work, he would suffer, though at present it is doubtful if such a type does not fare better under our mixed system than he would under a new communism.

The woman would favour the new system, influenced by the desire to be with her husband and children in her own home, and perhaps with the ambition for an increased share of good things for her and them. Speculation and hypothesis, perhaps, in part; but this we know for final fact, that in this great social schism the adherents of private property everywhere carried the day.

CHAPTER V.

GENERAL REMEDIES: POLITICAL AND MORAL.

§ 1.

PRIVATE property once fully reached from whatever causes, the conditions under which things shall be mine once laid down by law, the instinctive leanings towards it in the breasts of the more egoistic units soon receive a great development under the conjoint stimulus of some of the most powerful principles of our nature—principles themselves largely called forth by and under the system of property, but which in their turn communicated an extraordinary impetus to that system.

It is not merely the love of self and wife and child that intensifies the desire for property, but the love of power in all its forms, the love of liberty and independence, and very particularly fear—the fear of the uncertain morrow, with all its danger for the propertiless. All these and other passions and desires combine to strengthen the passion for property to an intense, extreme, and sometimes to an almost insane degree. It becomes immense and boundless. It grows ever by what it feeds on. The more it gets the more it wants. Its cry is ever the horseleech's, 'Give, give!'

In insecure societies, where law is not strong to stand behind possessions, they are a source of danger to their possessors as well as a protection against danger, inasmuch as they invite attack. But in stable societies, where property is secure itself, it is a power protective against all other risks and dangers, as well as a further positive power. Accumulated property is not merely the dazzling sign and symbol of power, but also the substance of power, and the means by which the love of power is gratified. And it is not merely the symbol of power and the reality of power; it is the great deliverer from fear, the formidable and depressing passion, itself always an evil, and the parent of a host of other evils, real and imaginary—anxiety about the morrow, distrusts, despondencies—which paralyse our efforts and bring the evil dreaded. How free from anxiety is his breast who has a store of treasure guarded by law in a well-ordered and stable state! What a host of fears and terrors drop off and fade away for the happy man who steps into possession of the 'modest competence'! What a dismal troop of threatening phantoms suddenly dissolve themselves!—phantoms most real when present and real in their pernicious effects, so potent are they in sapping strength and life and spoiling our little happiness.

And from what shames and degradations would not money spare us! From the need of what mean servilities and fawnings is not the man delivered who has an assured competence, 'an independence,' as with great significance and deep insight it is called!

What fortitude, on the other hand—or rather, what recklessness of spirit—must he not have who is able to

front the future with serenity without assured means! And yet the moralists of all ages, the religious founders and preachers, all expatiate on the vanity of riches, and enjoin us not to put our trust in them. And rightly indeed, if they mean merely to restrain men from their inordinate or insane pursuit, or would teach us that happiness is not proportioned to the amount of a man's wealth, and that wealth itself is peculiarly likely to corrupt the moral nature, or, finally, if they wished to discredit a *régime* of absolute private property and great inequality of wealth; but not rightly, if they would dissuade from all pursuit of wealth, while at the same time accepting our *régime* of property with all its consequences, since under it there is no safety for the unpropertied man. There is inconsistency; they should either attack the system, or, if they accept it, boldly proclaim, with our modern economists and writers like Buckle, that the genuine pursuit of money is moral and commendable, nay the most commendable principle of action, the source of all civilisation, of the arts, sciences, and letters.

Our moralist Carlyle vents scornful sarcasm on the English people, whose 'hell is want of money, or failure to make money.' And he seems to think the hell a very trifling one. I venture to affirm, on the contrary, that the hell in question—if only the poverty or lack of money is sufficiently absolute—will be, for most people, a very serious and most real hell, and one which—as Carlyle had himself skirted it or almost entered its first circle at the time when, in addition to his agony, the apparition of 'Hunger ran always parallel with him'—should have aroused

quite other feelings in him than the sarcastic and scornful—a hell in which the luckless lack-all is exposed to sorrows and miseries without name and without end; to true penal servitude during the remaining term of his natural life, with the torturing consciousness of probably leaving the like hopeless heritage to his unhappy offspring, if he has had the additional misfortune of having had any.

More especially is it a true Inferno for those who have sunk into it from higher place, for the failures and bankrupts of fortune, and one so great that often such cannot endure it, but desperately quit it, or take to drink to drown their sense of it—perhaps to have it finished the sooner. For those who have always been in it the fires are less fierce, or, long inured, they feel them less, but yet the spectator can see that it truly is one for them also. Moreover, this very insensibility is one of the sad features of the case, if it must also be regarded as a sort of kindness and relenting on Nature's part to the victims.

Yes, the hell is real, and there are many circles in it; and I affirm that the desire of the average Englishman to make sure first of escaping the earthly hell of extreme poverty, letting all other things wait, is, under our existing institutions of property and scheme of society, neither irrational nor morally wrong, but natural, prudent, and commendable; not contrary, moreover, to the Sermon on the Mount, which does not contemplate our peculiar case; that Carlyle's denunciations and scorn should have been levelled against the system, and not against a conception of life which is the necessary corollary of

that system, still less against those who would try to save themselves from falling its victims.

Under the actual system it is inevitable that property, both by what it can do for us and by what it shields us from, should come to be regarded as the sweetest and greatest of all things—nay, in the opinion of most as almost the only thing. It is, the wiser ones will tell you, the first and almost the sole thing worthy of a sane man's pursuit in this world. And with a terrible logic on their side they will say, 'You cannot be an independent man, and you can hardly be an honest one, unless you have either secured or saved money, or got for life into some safe money-yielding groove.' Such are the maxims by which not merely the Mammon-worshippers, but men of the world and the wise in their generation, endeavour to arrest the course of the rash and imprudent people, as well as of idealists, who, spite of advice and warnings, still fondly cherish, and would fain follow other objects of pursuit.

Under this system and the sway of notions engendered by it, Iago's advice, 'Put money in thy purse,' is no longer mere cynical counsel, but becomes the sum of practical wisdom, recognised and recommended by all.

Now there can hardly be the smallest doubt that this is about the lowest and most vulgarising life-theory ever put before the children of men—the theory that we are to think first and above all else of money-making, and afterwards, if time allows and inclination is left, of other—perhaps higher, but not better—things. There is no doubt that such a theory,

accepted and systematically acted upon, is fatal to all high aims and aspirations, to all true heroism, to all disinterested action, to all really great enterprise. It is a conception of life that we feel we dare not nakedly lay before young and generous minds, without risk of shocking the moral sense and arousing instinctive revolt. What! to narrow life, with its great and glorious possibilities in our century, to such contemptible compass! to make it a mere struggle for property, for material goods and gains! Never! the generous mind will say, not even for wife and children is such loss and dishonour to be incurred.

Not the less certain is it, however, that under our present social system, and with the notions and sentiments produced by it, and now almost ingrained in us, the generality will be driven to adopt this theory, partly from the dazzling seductions of wealth, but chiefly by the fears, degradations, and nameless ills which poverty, far short of its extremity, brings with it, and from which money will deliver us. The worshippers of Mammon will be numerous, because his favour means all the good things of this world, his frown all the ills of life—the whips and scorns of time, the oppressors' wrongs, the proud man's contumely. All men will be compelled to adopt it, except the wiser few, who, discerning the real value of things, and the great possibilities of life in spite of all its confusions, are resolved to run some risk to realise them; or the generous spirits bent on following their noble dreams, even though the road should lead by perilous paths to the Englishman's real hell of poverty; and perhaps we should add, the foolish and perverse, who had better have accepted it, because for them

it would have proved a discipline, without which they are all too likely to reach the abyss.

What is saddest and worst of all perhaps is that, as things go, we are compelled to acquiesce in the course of the majority of the Mammon-servers—nay, in spite of our better judgment we are almost compelled to approve of it. We could hardly, if we were in a position from which we could address the young with authority, advise them to act differently. We should at least feel obliged to speak guardedly and with qualifications if we urged the choicer spirits amongst them to seek higher things than money, or even than power and money. We should fear to incur a too serious responsibility.

We should dread their after reproach that we had taken advantage of their inexperience and generous dispositions to prepare an ambush for them in later life, by setting them on Quixotic and dangerous courses without due warning of the peril and the small amount of probable good, and by fatally handicapping them in the struggle of life with the more egoistic and scheming and unscrupulous ones. Why did we not tell them truly of the real nature and conditions of life—of the sort of theatre on which they were about to enter, instead of thus preparing a snare for their virtue?

And how, indeed, could we with clear conscience advise them to act on higher than the current maxims and accepted principles of morality, when even the hero and the virtuous man in our inverted system is sometimes driven in weak hours, under the all-compelling forces of the existing system of egoism and all-for-self, to waver in his allegiance to what he

considers the only worthy course—nay, even to doubt, where doubt is of Satan, of the wisdom of his choice, and when he is tempted to make questionable compromises between the service of Mammon and the Ideal, were it only to permit the possibility of still setting his face towards the latter?

Now here, as perpetually in inquiries concerning life and society, we are met by one of those flat contradictions and dire dilemmas, both sides of which are equally fatal—one of those terrible antinomies, practical as well as speculative, from which there is no escape and to which there seems no solution. Men are urged by irresistible forces to individual appropriation; the conception of property is ingrafted in our nature; it governs our very thoughts, like those innate categories the philosophers tell us of. We cannot get away from it, and yet property is the fruitful and perennial spring of evils—of almost all evils, social, moral, personal—of pride, insolence, selfishness, luxury, and ostentation in the rich; of vice, crime, want, misery, envy, and covetousness in the poor; of both classes of evils in lesser degree in the middle ranks. We are forced under the most formidable threats and penalties, as well as allured under the most seductive promises—united forces which will compel all but the heroically mad almost—to fall in with the system and to worship Mammon, and the worship of it is simply to kill all that is divine in man, and all that has ever made his doings on this earth great. For if this theory be the truth—if money, heaped-up property, be the one thing to struggle for, whether it will gratify luxurious desires, or save us from evils, or compel others to do us service—if this

be so, then the lives of all disinterested servers of their species, and first of all the great religious founders who one and all protest against the theory, were mere madness and folly, and their doctrine, which aims at producing the very opposite of the theory, was mere impracticability. If it be true, the philosophers as well as the prophets have all spoken in vain from the days of Plato till our own. If it be true, patriots, artists, poets, men of science, reformers, philanthropists, were also wrong, and he who, like Brutus, for the general weal, would 'set honour in one eye and death in the other,' is a noble fool who finds out his mistake too late. In fact, this dreadful and base life-theory condemns all who ever drew the sword for a great or righteous cause or a sacred idea, for church, or crown, or cross, or liberty, or truth, or man, or God, as mere idiots with a craze in their brain, which made them stupid to their own interests; and only they who stayed at home, or 'remained with the stuff' in the camp, or kept carefully, like Ancient Pistol, in the rear of battle, were wise ones deserving respect. What madness on this theory in Hotspur's vision of drowned Honour that he would raise by the dripping locks from the ocean's bed! What infatuation!—especially if she fetched no money-price in the market. And do not all such deserve to die for their folly, as Hotspur died on Shrewsbury field? How much more sensible was Falstaff's view!—the view of the clear intelligence unsubject to dangerous illusions, to which this same Honour was a word, 'a thing of air,' possessed by him who 'died o' Wednesday,' as by this heroic madman Hotspur, also dead for his obstinate folly and infatuation.

§ 2.

What to conclude? How to escape from this fatal antinomy, which puzzles the moralist and leaves us all rudderless in life? Or how to solve it? How to escape the contradiction that we must follow wealth, as the political economist says, while yet the pursuit of it destroys the soul, and while even the successful acquisition and gain of it mean, too probably, the missing the real good of life; while, further yet, for the great multitude who are quite out of the race and competition for wealth, who are merely paid their wages, or who get the crumbs that fall from the rich competitors' tables, the system brings nearly all evils, including misery, and want, and vice, and crime?

There is but one way out, but one solution of the antinomy, as but one cure for the social and moral evil. We shall have to change both our conception of life and, concurrently with it and as a consequence of it, our conception of property, its rights and duties. As a further consequence, we shall have to change or amend our laws of property, as one, though not the sole, means to a healthier, more equitable, and rational distribution of property.

We shall require, once more, something like a moral regeneration, a reawakening, as of those long sunk asleep in satisfied and contented use-and-wont, a fresh reconsideration under a new or revived moral sense of our whole moral and social condition. Nothing less will lift us out of the serious and alarming pass to which our modern society has come, or will conduct us safely through what many thinking people consider the very crisis of civilisation which

lies ahead. We shall require the moral regeneration and renovation first of all, to open men's eyes and to purge their vision, that they may recognise a Justice where now, though Justice veritably is, they are wholly blind to it.

We shall also require a moral revaluation of the things of life, the general objects of men's pursuits, and a more correct estimate of their comparative values must be made and inculcated on men, as a result of which there will be a less general, a less feverous, and a less exclusive pursuit of mere money, wherever it is seen that it cannot be gained without the loss of better things, which veritably do exist as the proper prizes of the rightly qualified. The right appraisement of these better things by competent moral valuators would of itself be much, for while it would leave the money-maker, useful in his sphere, a freer and clearer field for his genius, it would point out to others nobler objects of pursuit. It would amount, in economic phrase, to an enlargement of the 'field of investment'; there would be a real enrichment at the cost of none by the new or enhanced values annexed to immaterial things, non-monopolisable and obtainable by all according to natural gifts—except indeed by the poor.

Except indeed by the poor!—a most serious exception truly. And now we touch the real heart of the social problem, and the considerations which make it at once so difficult to solve, so dangerous or impossible to decline. For the behoof of the poor, then, I affirm that there will be required a modification of our laws respecting the acquisition and ownership of things—of the laws of property and contract, in fact

—both as regards the ways in which things become mine, of the rights over such things once they have become mine, and, finally, of the amount of such things which the collective will, following the collective conscience, will permit to be mine. We shall require the initiation of a policy having for distinct aim a mitigation of the present gross inequality of wealth, which does evil to him that has as well as to him that lacks, which at best places a dangerous and corrupting power in the hands of the very rich, and which makes society a great unweeded garden run to seed. We must aim at exalting the low, and somewhat depressing the mighty from their seats; for, even waiving considerations of justice, be it remembered that the seat of sovereignty has been shifted, and upon it sits the sovereign people, not in imperial purple, but in fustian, and sometimes in want of food—a state of things anomalous, of unstable social equilibrium, and full of danger if not rightly managed. And whether the sovereign people, lately restored to power after long and now confessed usurpation of its inherent and inalienable rights, will grant an indemnity for past injustices and wrongs perpetrated against itself by powerful usurpers or confiscators, who now plead prescription for their titles; or whether it will press for a policy of inquisition and restitution or compensation in all cases where the ancestors of the present holders of property can be proved to have usurped the rights or seized the property of the people, or shifted their own just burdens to the people's shoulders through indirect taxation or in any other way—whether, in short, an amnesty be granted or inquisition and compensation be demanded, most

certain it is that at least a policy of greater equality in the future will have to be aimed at by our legislators, for such assuredly will be the will of the sovereign people, and nothing less can secure its rights for the future. Moreover, such ought to be the aim of the statesman or legislator who believes at all in the Benthamite theory of the greatest happiness of the greatest number, though such could hardly be the aim of those who believe that the greatest happiness results from the existing social order, with its inequalities and iniquities.

Perhaps it would be safest to say that the first condition of all reform is knowledge. It is necessary that all should learn the antecedents of our existing institutions, and particularly this one of property, only a brief outline of which we have been able to give. Next, we should try to see the inevitable consequences of a *régime* of absolute private property and unfettered freedom of contract, such as ours so nearly is. The former would require a knowledge of history, and most particularly of the history of property in this country, which would show how both the land and the capital of the country passed into the hands of a comparatively small class, and point out the causes, legal or other, which have hitherto prevented a healthy dispersion of the two great instruments of wealth. There will also be required a revised Economic doctrine, which it is the work of the present generation of social philosophers to furnish.[1] When our knowledge has been increased and our ideas

[1] An important contribution to this much-needed revised economic doctrine we have already got in Professor Sidgwick's *Principles of Political Economy* (1883). See also Appendix.

cleared, we shall then all of us have to try and see what justice, the great and almost the sole social virtue, is, and where it lies. And here lies the stress and difficulty, for this will require a more enlightened moral sense, a veritable enlargement of that spiritual organ, now almost atrophied—a change hardly possible, in fact, without a moral, without a veritable miracle; a simultaneous extinction of grasping egoism and enlargement of love, charity, and good-will; a moral miracle and a true conversion, which one easily sees must be difficult for any causes to bring about, but which, nevertheless, *may* be brought about by the united action of fear, of moral teaching and awakening; and, finally—we can use no other words, though we do not use them quite in the current theologic sense—by a return of the grace of God, a genial re-birth of the feelings of kindness and humanity which benignant mother Nature gave, but which our iniquitous individualistic system, setting kindly men to cheat and overreach each other, added to our mechanical religions and moral philosophies, neither taken seriously, and both adapted mainly for class uses, have all but extinguished in the hearts of men.

And truly at this point one begins to apprehend the worst, so deep has our disease eaten—the very brain and conscience being touched. If no less than this mighty moral miracle will set us right, one thinks sometimes that all is to be feared, and that, as in the days of Noah, when the grace of God refused to revisit the hearts of selfish and wicked men, and 'it repented Him that He had made them,' the deluge came, so now another deluge must come.

But happily there are also grounds of hope, and

men naturally lean to the side of hope. We have some wise men amongst us, and some—nay, a very considerable number—of good and just men. We have shown that the lessons of example have not been wholly lost on us. We are getting awake; many are alarmed, and ask, 'What should we do?'

This at least we must do. When we have learned to see justice with the 'single eye' of the Gospel, instead of reading it all awry under the disturbing prejudices of self, and grossly interpreting it in our own favour or perverting it to our own selfish interests, then we shall have to hasten to get it embodied, far more fully than men ever before dreamt of, in our laws and institutions.

And first our theory of individualism, of each one for himself within the limits of law, and those limits not too tightly drawn, must be qualified. The knowledge of the solidarity of interests, that all workers live by and through each other's labour, whether of hand or head, and that we all live by and through the accumulated results of science and civilisation, should teach us that the benefits and blessings of civilisation should not be monopolised by any class, that morally they belong to all.

Our theory of private property will require revision and limitation. While in its essence the principle of private property must continue, being, as we have seen, both an instinct of our nature, generated and continually intensified by twenty centuries of existence under it, as well as a necessity of our complicated and ever-expanding modern life, nevertheless there must be a new conception of it, of the rights which it is supposed to imply, and very par-

ticularly of the obligations which it should impose on its possessor. The latter will have to be increased and emphasised, the former will have to be curtailed. They have been curtailed already in the matter of landed property. They must be still further curtailed, and the owners of personal property must submit to some reduction in their power over it, especially in their power of disposal of it after death.

Together with the theory of property the closely connected theory of contract will require revision. The conditions or terms under which things become mine, as well as the extent of my control over these things once acquired, will require careful scrutiny, and a severer definition. The former, the ways in which things may become mine, the modes of acquisition, are at once too easy for the rich capitalist and financier and too hard or impossible for the poor. Under the theory of absolute private property, unfettered freedom of contract, and individualism—the moral conception of life, of which the two former are the political and legal expression—modern society cannot live, and a social catastrophe would long since inevitably have come in this country, as it came in France, were it not that for the past fifty years we have in fact been slowly but steadily departing from the theories. Under pressure from beneath and from above, from the people and from philosophers and politicians, the theories have been abandoned as unworkable in their absoluteness without danger of social explosions, and they will have to be still further relaxed from a like further pressure, but greater in degree.

Speaking specially of our own society, it may be

confidently predicted that the mass of the people, now become, through the suffrage, the predominant political force—assuming them to act together in what concerns their own interest—will not long tolerate a theory of property and contract which, in spite of later mitigations, has resulted in their impoverishment and social subjection, and which, even were complete equality established to-morrow, would lead to a like result again in a generation or two.

The dilemma and antinomy then, that we are driven by forces within and without to private property as a necessary institution while yet private property is the parent, together with much good, of nearly all the evils that the mass of mankind suffers, is only to be solved or evaded by narrowing our conception of private property, retaining the institution in its essential parts—the parts which have produced good—while rejecting its adjuncts which experience and reason together show to be hurtful to the general weal. We must strive to correct some of the worst consequences that flow from it in conjunction with freedom of contracts, the contracts being often not free but extorted, and therefore unfair, sometimes really free but socially hurtful. And of these consequences the gross inequality of wealth, which carries with it, as before shown, so many evils, moral and social, is amongst the worst, and one that most requires to be lessened. The conception of property as something that is absolutely mine, to do as I please with, must be given up, and must be replaced by the moral notion that it is in large part a trust, to be administered by me for the public good as well as for my own. Further, the amount of my compulsory

contribution for worthy public purposes, particularly such as aim at raising the material condition of the poor, will have to be increased, and should be contentedly if not cheerfully borne—especially if I came by my wealth without labour on my part, as in the case of inheritances, in all cases of unearned increments, whether from the increase of ground-rents by the spread of the great towns over landowners' property, from monopolies which tax the public, especially the poorer classes, or from whatever other windfall of civilisation which has been seized on and monopolised by a class.

The defining lines of law must be drawn afresh with respect to the two grand topics of Property and Contract by legislators and jurists under higher and clearer conceptions of justice, and with more regard to the happiness and well-being of the great masses of the people, which the past laws on these subjects have done more than anything else to defeat. In a word, we must take certain steps in the direction of socialism or communism, the principles of which, as already stated, lie deep in our nature (as well as their opposites), are recommended by reason, have, in the shape of the communism of the family or of friendship, at certain crises probably saved most people in the chance individualistic scramble, and have already been to some extent adopted in our public policy from absolute necessity, as well as voluntarily by various associated groups of private individuals. Legislation will probably be required to undo present injustices which past legislation has produced or rendered possible. It is just possible, as already stated, that a policy of restitution may be

pressed at the instance and in the interest of the democracy, now for the first time in a position to bring forward its case and press its claims; or a policy of compensation may be substituted, wherever, as in the case of landed property, the ancestors of the present holders can be shown to have usurped the property, or the rights of property, of their poorer fellow-countrymen. Prescription is no plea in such a case. Prescriptive possession is a good plea in bar of individual claims long unpressed; it is not a good plea against a class embracing millions or a nation wronged by it. Here the length of time in possession only adds to the offence. The evil done is not cured, the violated right is never extinguished by time; and as soon as ever the people have the power they may in all justice reclaim their violated rights, or an equivalent. But it is said the present possessors did not commit the wrong, if wrong were done. The answer is, they do a like wrong so long as they inherit the fruits of the wrong. 'They cannot be pardoned and retain the offence'—the thing for which the wrong was done.

When a class has committed a wrong in the past, it is not wholly unfair that the present representatives of that class should pay a penalty, even by way of 'ransom,' or, to use the fitter word, by way of reparation. Individuals doubtless might thus suffer injustice, but it is a question of reducing the total amount of injustice; and the amount of the new injustice might be reduced by exempting certain estates from special fine, or tax, or ransom. A special tax on land, to be applied for the benefit of the poorer agricultural population, might roughly meet the justice of the case, while

lands bought since the last Enclosure Act, in 1845, might be exempted, provided neither the present owners nor their predecessors added to them from the common lands,—the onus of proof to lie on the owners. There would be the more justice in a special land tax on the feudal estates, inasmuch as the land tax, small when laid on, has been stationary for 200 years, while rents have probably been multiplied four-fold, owing to the advance of agricultural science, the great increase of produce without fall of price for an increased population, above all by the enormous increase in ground-rents and mine royalties in the past hundred years.

But all will be in vain in the long run unless the rich can be taught or persuaded by whatever means to form a new moral conception of property, its rights and duties, as well as of the legitimate purposes for which property should be desired. They must come to regard their wealth, not as absolutely theirs, to do with as they please, but as a trust, held for the benefit of others as well as themselves and their children. Even that part of it which they are permitted to freely spend should be looked upon partly as a trust, to be expended worthily and for the public benefit, as well as a means for the gratification of private tastes and desires. They must not consider their wealth as chiefly a means for the poor purpose of amassing luxuries, or for the wicked and anti-social purpose of dominating others or reducing them to servitude, or for the vile and vulgar purpose of ostentation—to swell their sense of pride and importance, a sentiment which, analysed, derives its chief satisfaction from the feeling that others have not what you have, a base

feeling, as the resulting distinction is of the vulgarest kind, to be shunned by the generous mind aspiring to true distinction. A liberal share of their wealth they may reserve for their own purposes, but they are to remember that they are debtors for much of it, not only to their workers, but to inventors in their graves, to the discoveries of science and the course of civilisation—in a word, to Humanity, and therefore they should render much of it back again to the public, the present heir of all the conquests of civilisation and humanity. They may reserve the right to choose the kind of object and the amount of their benefaction to each—whether college, or school, or hospital, or special charity—but they are morally bound to contribute,—of course, if they are employers, after they have dealt with the claim that comes first in order, the well-being of their own workers, their immediate allies and fellow-labourers.

All this would merely be a reduction to practice of the precepts of Christianity, which require to be anew stated and emphasised to our rich men engaged in the egoistic—and, as now pursued, it is to be feared, in the soul-destroying—pursuit of gain; soul-destroying, perhaps, in more senses than one, as whoso pursues it most exclusively and gains most in general loses most even in this world, to speak now only of it. Rich men, perhaps, might thus lay up treasure in heaven; it is a speculative investment well worth this notice. They will certainly do good to their soul on earth by a little more of their God's service instead of Mammon's service, and they may thus, by turning popular envy and ill-will into kindly feeling and affection, help to save their own order in the

social ferment and agitating time which lies ahead for modern society.

I would indeed most strongly recommend this course to our rich men of all types, our landed magnates, great capitalists, financial and merchant princes. I would sincerely advise them to adopt it voluntarily and before pressure, if not from love of mankind or sense of justice, of a debt justly due, at least from enlightened egoism, or even from fear; for if done voluntarily, of their own free will and grace, they need not fear force, which would waste its effort in pushing those moving already in the required direction. They disarm it or make it their friend; but if they unwisely will not, if they stand on their rights and keep all that the law allows, even though the moral sense condemns, they may be compelled to submit to severer conditions. For we say, The law may not always be on your side—nay, it is all too likely that it will depart from your side, on which it has long been, to consider more carefully than ever before the cause and to take the side of the people. New laws may be made, and old decisions reversed; even heavy costs and damages may be given against you. And thus if you do not act wisely and humanely your punishment and judgment may come during this life, while that of the selfish rich man in the Gospels only came after death.

§ 3.

There is another moral consideration as regards this all too engrossing matter of property, but one to be addressed to others rather than to the rich or poor. Perhaps it may be of use to the sons of the

rich or to others hesitating as to their future careers. It is that the mean state of fortune, as the wise in all ages have known, is the best state for man, both for his happiness and virtue. 'Give me neither poverty nor wealth' expresses the wish of the wise of all times, the wish for that state in which man is most free from the evils and dangers on either side,—especially the snares that beset and pervert the virtue of the rich, the state which, if more general, would allow men without fear of the morrow to bestow more of their time on pursuits higher and more becoming the dignity of human nature than money-making. Let us further say that, as the mean state is best for the individual man, so that society is stablest and happiest in which the extremes of wealth and poverty are least far apart, in which there is the greatest number of moderately well paid workers and no poor, and where such inequality as must exist corresponds as nearly as possible to the comparative value of the service rendered by the worker to mankind.

The society in which there is an approximation of the social extremes is stabler and healthier than ours, with its few hundred millionaires at the apex, and its millions of proletaires at the base; its many-acred magnates, like the Epicurean gods, serene above, and the masses, as they are contemptuously called, poor and huddled promiscuously beneath. The country, the society in which there is this great inequality of wealth, is not only full of all other social and moral evils, this itself being the master evil, but ever from the moment that society grows conscious of the evil the State and the social order is in danger, unless it sets itself to mitigate it. It

is in danger not only from internal disease and 'rank corruption (moral and social), mining all unseen' and spreading far and wide, but it is in danger of violent social explosions—the last a form of social disease which perhaps ought to be regarded as the lesser evil of the two, as being a sort of desperate effort on the part of the general body politic to throw off the all-pervading evil that preys upon its life—a natural attempt on the part of nations long gone wrong to get into the way of health, into the paths of reason and nature, once again at whatever hazards.

At the present hour there appear but two alternatives before our society—either real reform, wide and deep, reform political and social, or something still more serious than reform—political and social revolution. And the political reform will have to be more radical and comprehensive than was ever before entertained by our politicians; many things not hitherto thought of as within the sphere of practical or possible politics will have to be brought in. The reform will have to aim at realities instead of forms and fine words, at tangible and material ends instead of means to ends ever deferred or illusory, whether suffrages or whatever else. It will have to give bread instead of stones to the people. But if our legislators will not aim at these realities, then our vessel of state also may have to pass through the storm-cloud of 'the Revolution' that has already broken with fury over other nations, and which is now once more gathering above and closing menacingly around the whole horizon of civilised nations.

There are only the two alternatives; for the other seeming alternative offered to us, to let things

alone, to leave them to settle themselves under the beneficent action of natural laws and the interplay of men's own interests, has not only been found impossible and dangerous, but an attempt to return to it would mean revolution, violent and speedy. It was this system indeed that has brought us to our present pass. It was the long-continued action of selfishness unchecked that has led to our existing social order with its immeasurable social evils; which, to come to particulars, has divorced the agricultural labourer from the land and the town artisan and operative from capital, which has produced a dreadful lower deep of extreme poverty and pauperism, which has heaped the poor in festering social masses in the slums of our great cities—lost souls for ever on earth, and—but that something is due to them, one would say—beyond the parson's help of spiritual outfit for another venture elsewhere. It was this system that turned the working men of England into mere human plant, the instruments to the huge fortunes of a few; and they have got seriously and justly to doubt that, unchecked, it could ever lead to better results in future.

Nay, is it not certain that a full development of the system of unfettered egoism would have led to all our evils intensified, to the ruined national physique of our labourers, to physical class-deterioration of the operative, to mental class-deterioration of the country hind, thus furnishing a solid basis for an enduring class slavery? Happily the system in its integrity was not possible. Happily no return to it is possible. Happily, too, societies do not develop naturally and fatally, that both statical and dynamical

laws are under men's volitions to a very considerable degree—nay, that men have risen in insurrection, and successfully too, against several so-called 'natural laws,' which they found were not like the laws of gravitation, to which they were compared. The volitions of the people, hitherto insufficiently taken into the social philosopher's and economist's calculus, must for the future be reckoned with, and it is much to be feared that they will interfere sadly with the old 'natural laws,' especially those that told them they could not raise their wages without restraining their numbers, nor the masters give them more than their quotient share of a fixed wage-fund; that in fact both the Malthusian theory and the Master's 'non possumus' may have to bend before them, or be greatly modified.

Laissez faire, freedom of industry, together with the dismissal of all the inspectors in factory or workshop, mine or school, would not save us. It would not be an alternative. It would but invite revolution. It would hurry on a social catastrophe. This course then, we may take it, is out of the question. To do nothing, to let things pursue their own course, that is, to let selfish men have unchecked course, is not to wait for a beneficent social evolution, as some believe; it is to invoke revolution. Besides, we should have to wait long for such good results from such evil courses. Finally, the people will neither wait nor do they believe that the results will come without their co-operation. They are resolved to have a hand in, to be agents in, the evolution of their own destiny. They do not believe in some all-compelling power that moves them irrespective of their own

efforts and aims. They have aims, they mean to steer for them, and they will reach them if they wisely persevere, whatever natural laws of evolution laid down in advance may say to check their course. And the goal they will sooner get to by making efforts than by passively waiting for a thing called 'social evolution,' which is apt to be slow unless its pace is quickened, as well as unequal in dispensing its favours, if those most concerned do not try to control its course, and to get their due share of them.

§ 4.

But society, it is said, rests on Property and Contract. That property be sacred, that freedom of contract be allowed, and that free contracts should be fulfilled, or their fulfilment enforced, if necessary, by the power of the State, are the fundamental postulates and necessary conditions of modern social existence. Touch the rights of the one, deny the obligations of the other, and you touch society at its vital point; we are on the fatal incline which logically leads to communism, but which really conducts to social chaos.

In answer to which view it is to be said, that when property is pronounced sacred it means, and must mean, that what Law at present pronounces my property is sacred. It means that property as defined by Law is sacred, so far as it is defined, and so long as it is so defined. While the State permits certain rights of property they are sacred, and the State will not permit their violation. Moreover, property changes ownership under conditions laid down by

Law. Law looks to these conditions, considers that all things have owners, and, if possessors have got things according to her terms, she calls them rightful owners. Ownership is always by her permission, must have her sanction, otherwise it is not true ownership. Thus far property is to be held sacred—but no farther. It is sacred so long as it has the sanction and consecration of Law, but this sanction may be withdrawn: for Law changes its mind and will as to the rights of owners. It changes with changes in morals and opinion, with time, with the advance of civilisation, with change of social condition and class relations, with State expediency and the exigencies of society.

Thus, then, property protected by Law enjoys a certain sacredness. We grant it. But when money or movable property flows into mountain-heaps in the hands of one man in the course of a few years, with little labour on his part save skilful, perhaps questionable, financing, manipulating, monopolising, or cornering of shares, stocks, purchases, or products; when property grows into masses of millions all got under legal conditions—the conditions of law being all complied with—such property comes to be regarded as intrinsically much less sacred, and the laws of personal property under which all the transfers were made, and all the masses heaped up, come to be regarded as much less divine in their nature, being proved wholly inefficacious as they stand to stop the evils.

In like manner when the laws of landed property allow a quarter of a million or half a million to flow annually into the hands of one man—year after year

for little service in return—people also begin to think that these laws likewise stand in need of amendment. Laws which allow one man to have half a million a year sure, which allow another, the great monopolist, or the audacious cornerer, or financier, to amass some millions in a lifetime, require reform to the extent of limiting somewhat the incomes of the one, and interfering a little more with the game of the other. The law which allows the latter free scope must be too facile, and its meshes too coarse, while the laws of landed property suffer from the opposite defect of being too rigid and inelastic.

Moreover, as regards both kinds of property, the State has always reserved the right to take such portions by way of taxes as it requires for public purposes. It may thus rightfully tax rents, and it may tax inheritances. It may tax incomes, provided first that it does so as fairly and equitably as possible; and, secondly, that it does not by so doing tend to dry up or check the sources of national wealth. It may tax the two former specially, because such taxation would only take from those who do little towards production, while a special tax on profits would injure the working classes, and indirectly all, by discouraging production.

As to freedom of contract, it is agreed that free contracts should be as wide as possible; provided always that they have not injurious national tendencies, as in the case of the contracts of married women to labour in factories or mines to the hurt of their children and ultimately of the future labourers; provided that the contracts are really free and not forced, as in the case of contracts of small farmers

to pay exorbitant or competition rents for a necessary instrument of life existing in smaller quantities than the demand; provided, again, that the contract does not give a permanent and necessary advantage to one of the parties, as in the contract of workers with their employer, where the former are in excess of the demand and in competition with each other. Here are two cases, affecting together nine-tenths of the population, where freedom of contract would mean unjust terms for the labouring classes and their families —the rent in the one case rising to the maximum and to an exorbitant height if the landlord takes his advantage, the wages in the other case falling to Ricardo's minimum, or lower yet if labour is in excess; to which if we add the case of competition rents for house-accommodation in large towns we shall have a sufficiently wide circle of the labourer's life and material means of happiness at the mercy of so-called free contracts. In the first case mentioned above, the State, in the interest of the workers and the future generation of workers, had to interfere with the freedom of contract as well as with the freedom of industry, by Factory Acts, which forbade certain contracts from being made, while more recently it has had to declare that the rents of Irish tenant farmers should not be amongst the class of transactions settled by free contracts; and it now seems certain that it will have to go still further in the same direction by fixing fair or judicially determined rents for the Highland crofters. Here are cases of right interference with freedom of contract, and for many reasons this sphere of interference must be further widened.

Again, there are contracts that the State will not, or cannot, enforce. Suppose a contract to do an impossible, or a nearly impossible, thing, as e.g. a crofter or tenant to pay so much of the produce for rent as leaves him insufficient to live on; suppose a contract got under 'undue influence,' as so many are, by the landlord of a holding, or the owner of a house, taking advantage of the unequal position of the parties for bargaining, and extorting a merely unfair, not an impossible, rent—are these contracts that the State should, through its arm of Justice, aid in enforcing? On the contrary, all systems of civilised laws condemn a contract so determined as vicious in principle, as wanting in the essence of a true or fair contract. Nevertheless, the State may be placed in the invidious position of having practically to enforce such unjust contracts in the matter of letting and hiring, and, what is worse, chiefly against its poorer subjects, because the tenant must have the holding or the house, must promise to pay the required rent, and in case of non-payment the State may have to lend its aid in the ejection of the tenant. At all events, the potential force of the State is on the side of the landlord, and this usually suffices to compel payment even though unjust and when almost impossible. The only escape for the State from such a false and disagreeable position is by partially withdrawing the terms of letting and hiring in the case of the poorer classes from the sphere of permissible contracts and the region of competition. This it can do by the fixing of fair rents in the case of peasant tenures, and in case of houses by itself supplying them to the poorer classes to such an extent as to force down the

monopoly rents of the private owners wherever private enterprise cannot do so.

Freedom of contract, then, we see, though good between parties not in wholly unequal positions for contracting, has its limitations, particularly where it concerns the interests of the working or poorer classes, where unrestricted it would prove an engine of oppression and wrong. In their interests certain contracts must be forbidden altogether from being made, and the class of transactions where freedom of contract is certain to be abused to their disadvantage must be declared by law outside the sphere of free contracts.

In the contract between employers and employed the latter were formerly at a disadvantage, but this they have themselves remedied by their Trade Combinations, which prevent the individual from contracting singly with the employer, and forbid him to offer his services below a fixed price adopted by the entire body or its representatives. Here freedom of contract is again interfered with; the freedom of the individual worker is interfered with by the group of which he is a member, for his own advantage, and for the advantage of the group. The sphere of free contract is lessened, though not by Government influence. Equally, however, the theory of extreme individualism, that the individual man himself determines and determines to his own advantage the larger area and the chief relations of life by freely made contracts with other individuals, is broken in upon; and in short we have here another reminder that that theory has been run to its limits and no longer holds for modern society. The formula of Sir Henry Maine that

society moves from status to contract, the doctrine of Herbert Spencer that in an industrial age the sphere of contracts should be the widest possible, are alike shown to be limited in their application; because we are from social necessity returning to a society held together in some most important respects by fixity of relations, not by free contract, and in which individual power of contracting is subordinated to the interests of a group. In both classes of cases the sphere of free contracts tends to be made narrower. And in a democratic community this tendency, the reverse of Sir H. Maine's, will have way, and must be favoured by the State, as well for the protection of the majority as for the improvement of its own general condition.

BOOK IV.

SPECIAL REMEDIES

CHAPTER I.

EDUCATION, CO-OPERATION, AND LAND DIFFUSION.

§ 1.

THE cry of equality has rung for a century in the air. It has been a power, and will be a greater; but let it be repeated once more that equality of wealth is not possible under our present *régime* of private property and contract, nor under any system short of communism, perhaps not even under it. Even within the limits of a single generation, supposing that all did start equal, the greatest inequalities would arise—less indeed than now exists, with past inequalities perpetuated by the principle of inheritance, and often passed on in an increasing sum, but still very great—a conclusion abundantly borne out by the huge fortunes now made, both here and in America, by men who started from nothing, and with all the weight of the present system against them.

But it is said, though equality of wealth be not possible, yet equality of opportunity to get the wealth, equality of start, might be possible, and this assured to all, none would have cause to complain of unfairness. Let all start equal in the race of life. Throw all careers and all the prizes of life open to

ability, and whoever wins them, let him have them; while whoever fails to win them, whether from adverse chance or incapacity, cannot blame society or social arrangements, but only Nature, that has created inequality of ability or chance, not to be got rid of, or himself, for not sufficiently bestirring and exerting himself.

The idea here is the same as in the St. Simonian formula, 'To each according to his capacities,' and very like the First Napoleon's motto, 'The career to talent, and the tools to him that can use them.' And the answer to this, the most plausible presentment of the theory of equality (which allows for natural inequality), is that, without a fundamental change in our social system in a socialistic direction, all could not possibly start fair and equal. The children of the rich have already had, during their father's lifetime, an advantage through the superior education they can get, not to speak of the fact that they will inherit their father's property, and if they are so minded may fill his function, unless it be in the public service. The principle of Inheritance comes in to enormously increase the existing inequality of start and of opportunity; but we now see that even if inheritance were abolished, and only 'life fortunes'—that is, fortunes made within a single lifetime—were allowed, all property passing to the State at each one's death, still the children of the successful would already have had an enormous advantage at their start. Let it be added that, if inheritance were abolished and if accumulations left at death reverted to the State, there would be all the more reason for rich parents spending more money

on their children to fit them better for their future careers.

Even supposing all to start equal, within a single generation there will be the greatest inequalities—especially in our modern days. Let now the children of this generation start with the resulting advantages and disadvantages which they have had in their father's lifetime, and we see that equality of opportunity is impossible. It is a phrase without meaning under the existing system, and with little meaning even if we suppose inheritances abolished by law.

We thus seem driven to the conclusion that, short of the most ultra-communism, where each has an equal share meted out to him, equality is impossible —or a dream from Utopia. We are once more in the usual social dilemma: we cannot go to communism, where alone equality would seem to have a meaning or to be possible, and yet no less surely we must get rid of our present inequality. Once more it would seem as if there were neither 'flying hence nor tarrying here.' We are still in the fatal circle of social contradictions, and once more we must find some way of escape.

§ 2.

To reconcile private property with equality of wealth is an impossible problem for modern society —impossible in speculation and impossible in practice. But to make some reasonable approach to equality, to bring a little nearer in fortune the widely distant extremes of rich and poor, never so

far asunder before, is not only a possible problem but a pressing one, demanding immediate attention in all civilised communities. And it is a political problem chiefly—a problem to be dealt with by statesmen. On all sides, and in all countries, the problem of a better distribution of wealth is acknowledged to be the most important problem of our generation. It is, in fact, the social problem, only widened in its scope, inasmuch as it concerns every one of us, and all classes, whereas the social problem concerns chiefly the labouring classes and the very poor. There is not a real statesman in Europe, there is not a political or social thinker that has studied society in all its aspects, but knows that it is a question transcending all others in importance; that all others run up one way or other into it; that most questions of home policy, and even of foreign policy, have relation to it, and take their aspect and colour with reference to it.

We can neither have equality of wealth nor equality of opportunity under our present *régime* of property. An equal start is impossible, unless all had equal education and equal chance of the prizes of life; the former impossible unless the poor were educated, and the pick of them up to the highest standard, at the expense of the community; the latter impossible unless the State were the sole employer of labour and director of industry—unless, in fact, all private enterprise and industry had ceased, and the great businesses made and built up by successive private individuals' initiative and energies had all passed into the hands of the State—unless, finally, the State not only worked, as it now does, the

postal and telegraph service in addition to its other functions, but, further, worked the railway service, the merchant service, the coal mines, the iron mines; was the sole factory owner and mine owner, the sole brewer and distiller, the sole banker and broker;—unless it was all this, and did all this through its own appointed officials and labourers, whom we must further suppose to be selected by it, whether by competitive examination, or by some other method of finding the fit and the unfit.

Short, then, of such complete State socialism, which we could not have without the most sweeping social transformation, not to say tremendous social revolution, the chief places and prizes could not be thrown open to all the talent of the time without distinction. The best places and the chief seats must be out of the competition, must be reserved, as they are at present, for the children or other connections of the present possessors, though not to the absolute exclusion of outside talent, where such can show itself advantageous or indispensable to present owners, as it sometimes can.

And thus complete equality of opportunity is impossible. All the more, however, is it necessary to make some approximation towards it; and, first of all, it is necessary to completely reverse our past policy, which distinctly aimed at producing, extending, and perpetuating inequality. In the past, laws were made with this express aim, and religion, opinion, and morals joined with law in pursuance of the same policy. Yes, even the Church, forgetful of the Christian ideal, was pressed into the service, and made to add her sacred sanctions and inculcations to the system. All the

forces that we must now invoke, to check inequality—law, religion, and morals were enlisted on the opposite side, being either moved by the powerful possessing interests or more or less identified with them. The natural tendency to inequality was thus powerfully assisted, and now society is in danger from the accumulated evil results. We must now reverse that policy, set our face steadily in the other direction, and, moreover, speedily and with a will. Dangerous it may be, but there is greater danger, both to society—that is, to the totality of interests—as well as to the particular interests which won and now hold the prizes of the past policy; still more in going on just as we are with that policy but slightly mitigated, or even in the neutral policy of letting things alone and leaving them to settle themselves—for leaving things alone after inequality has grown to an extreme is to decide in favour of it. Meantime the cry for greater social equality has become a force, and a force that will increase. Moreover, the desire for it is by no means confined to the working classes or the poor, many in the middle classes being in sympathy with it to a very considerable extent. That cry, old as the world, heard intermittently across the centuries, never wholly stilled, though often lulled for a period, burst out once again in the eighteenth century, and this time it was not raised in vain. This time it has not been fruitless. This time no longer a barren phrase, an abstraction of the jurists, or of the philosophers, but a fiery, living, universal force, it will do its work. It has taken possession of the hearts of men. It will go on conquering and to conquer. It will increase in vehemence and intensity until it has accomplished its mission.

It has already been a mighty force. It produced the American Revolution. It founded the American Republic. It produced the mightier French and European Revolution, and the thrice-founded French Republic. It precipitated that world-shock and conflict that followed 1793, the Titan war of the Reaction against the Revolution, and it has by no means finished its work or spent its energy.

When the shock of armies was over it was found that this idea had conquered. Vanquished in the battle-field apparently, its defenders by the hundred thousand slain, the idea nevertheless had triumphed. When the clangour of battle was over, it was found that it had sunk into the soul of our century, and had entered into all the master spirits of the age; that they had all been brooding over it, that the most and greatest of them had adopted it, some in its extreme fulness, some in part. Social reformers, system-makers, poets, thinkers, statesmen, all the original minds of a remarkable century had been shaken by it. Whether as friends or as foes, all had meditated on it and thought the problem out afresh, and the chief of them had embraced it, as the new word of social salvation and the true goal of society.

And the cry has a meaning. It means that in modern times, and in civilised countries, the equality of men is really greater amongst all classes, save the lowest class of hereditary helots and pariahs produced by our system, and it means that this last class should cease to be. It means that men of the same race, allow them even an elementary education, will not endure a gross inequality of fortune, though

they will have no objection to inequality in less extreme form. Above all, it means the protest of Nature in addition to the social protest—the protest that *her* inequality of gift—the only natural, the only ineradicable inequality, the only inequality by 'divine right'—has been nullified and overridden and trampled on by society's artificial inequality; that the one inequality founded on fact, on reason, and on justice, has been set aside by another founded on chance or chicane in the present, very often on force or fraud in the past, and in both cases favoured by existing laws and institutions. It means, finally, a summons to these fortunate and privileged ones to awaken and listen, and change their course, and a signal to legislators to harmonise the laws with Nature's wishes, and not allow them to override her highest law, that capacity should not be crushed by incapacity, with the corollary that the hand of the past should not press so heavily on the present as to produce such result, through inherited property or privilege.

§ 3.

And how, then, shall we realise this rational equality and rational inequality compatibly with our present system of private property, private industry, and enterprise? Short of complete State socialism, which is impossible, how are we to reach nearer equality of fortunes while giving to Nature's inequality its heaven-born right—high place if not high money-pay? It is a difficult and momentous question, being nothing less than the question of modern democracy, and of the whole future—a question

which includes the social question and something more, for that question relates chiefly to the rich and poor, while the other relates to all. How to find and utilise Nature's aristocracy, always existing—how to make a hierarchy according to capacity in each generation compatibly with the legitimate claims of the past generations, so as on the one hand to give the proper chances to capacity wherever found, even though poor, and on the other to permit private property and inheritance, which to some extent necessarily traverses the other principle by frequently propping up and endowing incapacity and keeping back capacity;—here truly is the greatest problem of all, and the social philosopher who solves this has solved the social problem and the problem of democracy at the same time.

For myself, I can only offer my opinion as to the right lines of its solution, the lines on which we must necessarily move, and in practical politics, as distinct from speculation or system-making, it is the necessary first step that chiefly concerns us.

I have already, in the previous chapter, stated my opinion that private property must be modified to some extent, that inheritances should be taxed on their first devolving, that the land tax should be increased, and that unearned increments of rent and other windfalls of civilisation or science should be specially taxed. In these ways great inequality would be to some extent reduced (especially inequality not the result of labour), and funds secured for promoting greater equality in future, or such inequality as is according to natural capacity. It is now to be added that, although the highest culture

can neither be given to all the children of the lower classes nor is necessary, it is above all things necessary that the élite of the children of the people should somehow have access to it, and to all the prizes connected with it, undebarred by poverty. It is necessary on grounds of Justice, considering that the middle classes have for ages monopolised all educational endowments, and not unfrequently those expressly intended for the poorer sort, thereby destroying the last hope of the latter of rising out of their low condition. It is no less necessary on grounds of Expediency, for the one way to make a sound and stable democracy and a satisfied people on the opposite lines from dead-level communism, on the principles of self-help and individual enterprise, is to give the best of the people some chance of rising, to open out the way of a career for them, to prevent them from being hopelessly handicapped by inherited wealth where the prizes are open to competition, or from being wholly shut out where, as in so many cases, the best prizes are reserved and out of competition. At present, where so many of the appointments of the public service are open to competition, the second-rate will beat the first-rate without the help of money—a result that cannot be prevented wholly, but which may, and should, be provided against in some degree.

Wise and pious benefactors in the much-despised past were ahead of us here, saw distinctly the social evil of capacity smothered, and left funds to establish foundations for the very purpose of giving the talented poor — necessarily the most numerous — a chance, which good intention, however, has in general been defeated by class-selfishness. Like the rich man in the

parable of the Ewe Lamb, the well-to-do have taken the little that was left to the poor, and thus stripped of their share of the land, of capital, and of knowledge, the last sole means of raising such as should be raised, their subjection was complete, and would have been eternal were it not that class-selfishness is never absolute, so long as conscience and human nature and Christian charity remain in individuals. And let the Church here get her due share of credit. Whether Catholic or Anglican, before the Reformation or since, she has always set herself against this monopoly of education funds, has fostered talent in the poor, has searched for it, and was the first in modern times to try to counteract middle-class selfishness, by advocating and initiating the education of the people. Let this be remembered on the credit side of her account by the people when the question of Disestablishment comes up in the future.

It is, indeed, with some indignation that one reflects how the best interests of the people have been sacrificed for ages, and almost to this day, by class-selfishness and the indifference or ignorance of Parliament—sacrificed until the democracy, knocking at the gate, has at length enlightened the selfishness and made our legislators read their history.

It will now be necessary either to nationalise *all* educational funds, including those of the universities and colleges, the grammar and public schools, reserving a large share of them for the poor, exempt from the competition of the well-to-do and comfortable classes, or else to set aside from the imperial or local revenues large endowments for the purpose, as has been done (to some extent) with much benefit in

Ireland by the grants for Intermediate Education. The latter course will probably be found the best, and as to the means, I have already stated that increased taxation on unearned incomes would furnish them; or perhaps a part of the Church funds or present educational funds might be taken. The important point is that it must be done whoever suffers, and when a nation, or part of a nation, has collectively sinned, it should collectively make reparation. It is now for the middle classes either to surrender part of their educational funds' monopoly, the Church at the same time foregoing part of her revenues, or for the middle class generally, while retaining the educational monopoly, to pay an equivalent of the just share of the people through increased taxation, to which the richer ought to contribute the most.

We cannot educate all the people to a high standard, but we can educate all so far as to ascertain their capacities, and thereafter pick out the best for further trial and advancement. We can give the best of them some openings which, without this aid, would have been closed. One of the greatest grievances and hardships of the poor, as well as of the lower middle class, would be thus removed; for, if we open out a path from the lowest to the highest for those who are most 'fit,' the parents would be comforted with the thought that if they had had little chance their children will have greater opportunities, and this is the best redress society can make to those who have suffered in the past from its neglect. Society can never wholly compensate the poorer sort of the grown generation for what they have lost, but these would be greatly placated by the amends made

to their children, and to them through the children. It is the one reparation possible to the parents. It is the one way to make a more satisfied democracy; and, happily, on this most hopeful road our statesmen of both parties have entered. We must go farther, and do yet more and better.

There is another consideration. Genius of the highest order has commonly sprung from the people. This has been seen through history, in spite of the difficulties put in its way to stop its course and to weight its wings. Whatever the explanation be—whether that of M. Renan, that genius is the first conscious speech of a long silent race, by one who has the infinite unconsciousness of the past and its deep fountain of unused intuitions, to draw on; or whether we simply say, without theory, that 'the Spirit quickeneth where it will,' but is more likely, by simple law of probability, to stir in the many than in the few—a fact it seems to be that there is always a preponderating amount of it in the multitude. Names enough could be adduced in support of the proposition, and these in increasing numbers in modern times, as the way grew ever more open to ability. Let it suffice to say that the list would include some of the greatest and most famous names of history, including religious founders, reformers, princes and heads of the Church, philosophers, poets, painters, and in modern times, as soon as the careers were open, great military leaders and chiefs of the State. How much genius, silent in the main, there must have always been, we perceive when some revolution has turned over the virgin soil of the people, and given it a chance to show itself. Of this

history presents us with two examples, or rather experiments, on a grand scale—the French Revolution, and our own Revolution of the seventeenth century; in both of which we see the sons of the people and the lower middle class emerging from obscurity, and rushing to the front wherever the way was open. Such a vertical section of the mass showed, to the world's surprise, the rich veins of genius lying unknown amongst the people. America supplies another great example, or rather a host of instances, because America is a democracy where inherited privilege does not exist, and where inherited wealth, as yet, has not greatly kept back capacity, as her self-made men and many Presidents sprung from the people prove.

But what a waste there has been of genius for long ages! What high spirits have been crushed, or poisoned, or perverted! What heaven-sent capacity has been repressed or frozen, that should have rejoiced the world and made happy its possessor! What progress in science, in the arts, in invention, we should have made—what great creations in art and letters and thought, far beyond our actual performance, we should have had, if the geniuses of the nation had had formerly even the chances that they now have, though so much less than is their due! The funds spent on education would thus, besides doing good to individuals, be an investment, which would enrich the whole nation materially as well as in higher ways.

§ 4.

Education, however, would only allow the pick of the people to escape the general fate of the rest—to rise to a higher class, while leaving the class they left

as it was on the whole. The mass remains, and remains at hard and long toil for comparatively small wages. Can nothing be done to lighten their toil, to brighten their lives, to raise their reward? Must they continue in factory and mine and field, our white slaves in this civilised century, deprived of all that makes life pleasant to the loftier classes, at a greater distance from their masters than the serf from the feudal lord, by all the multiplied advantages that modern civilisation places at the hands of the rich, but which they cannot have? In the age of equality, while all other classes are getting more, are they only to remain stationary, or only advance a little, a great number being at Ricardo's minimum wage or 'natural price of labour'? This is not a conclusion that a well-wisher of his kind or countrymen can accept with satisfaction. Nor will the labouring many be content with such condition, however difficult it be to mend it; nor are they content with it, although there has been, in fact, a rise in the wages of all but the lowest class of labourers during recent years. Something must be done, either for them or by themselves, to better their condition more, and more generally. What is to be done? Within view of the conclusion that trades-unions can only effect a very moderate amount of benefit, there are two plans for raising the conditions of different sections of labourers—one called co-operation or co-operative production, applicable to artisans and operatives chiefly; the other, the establishment of a peasant proprietary for agricultural labourers; and it will now be necessary to consider each of these separately, to see what hope may lie in them.

§ 5.

Co-operative production deserves special consideration, because it has been supported by the most eminent names for the past fifty years, and because it is compatible either with self-help or State help. Above all, it leaves intact the principle of private property, and it need not involve restraint on the freedom of industry more than is necessary under the present system.

This is *the* remedy, advocated by Louis Blanc in France, Lassalle in Germany, and Mill, Cairnes, Fawcett, and Thornton in England; though with this difference, that the Continental social reformers all invoke the aid of the State, and are State Socialists, while the English economists rely on saving and self-help.

In co-operative production, as the reader probably knows, groups of labourers control the capital which they either own or have borrowed, and they divide the profits of the business amongst themselves in addition to their wages—at least, all that remains after paying a salary to a manager.

The principle has much to recommend it. Not to speak further of the division of profits amongst the workers, it would abolish the antagonism and heart-burnings of the present system, the grudge and suspicions, the strikes and loss of wages by strikes. It would raise the status and sense of dignity and independence of the artisans, which they have considerably lost as compared with their class of a hundred years ago. It would stimulate industry, promote thrift, develop fraternity, and probably enlarge the total

produce—supposing their manager energetic and capable, and liberally paid for his work. It would substitute the latter for the overpaid capitalist, and it would solve the most difficult branch of our threatening social problem.

And what then stops the way? Difficulties great, immense, which our too hopeful reformers of forty years ago did not rate sufficiently high. In the first place, where are our groups of labourers to get the large capital necessary at the start in most branches of production? By saving, we are told. But it is impossible for working men to save to the necessary extent. If one hundred men require at least 10,000*l.* to start a spinning or weaving mill, each must have 100*l.* It will take him many years to save this with all other demands on him, and even when saved after all it will be at great risk, as we shall presently see, if he stakes it all in co-operation. Or perhaps they can borrow it? But banks will not lend on such a very hazardous security as their chance of success. They can do better by lending to the capitalists in the business already, or by lending elsewhere. The State, then? Yes, to the State we finally come, like Lassalle and Louis Blanc. But let us then consider some of the consequences of the State lending its help. First, if the State lends to the workmen in one industry, it cannot refuse to entertain an application from those of another. If it lends to spinning and weaving associations, it could not treat with contempt the application of the miners or workers in iron and steel. And thus it must be prepared for a universal application for loans. The State, no doubt, might select the most likely in each industry, and the Secretary to the Treasury might say,

'To the extent of ten millions for an important experiment the State is prepared to go, but not farther.' And at what rate is it to lend? If at the rate such groups would have had to pay in the money market, it would probably be 10, perhaps 20 per cent., the security being there rated on a par with Turkish bonds. We must suppose the State just a little to temper benevolence with business, and to lend at $3\frac{1}{2}$ or 4 per cent., thus transferring the principal and its good wishes together to the association's representative. So far good. Now, if this association fail and cannot pay its way, is the State to lose all? or, the association becoming insolvent, is the State to get its share of the assets? Or is the State to keep propping up failing associations by advancing more money? The answer to the latter is, No. The State has advanced ten millions to give a chance to co-operation, to give it the means without which it will never be able to show either its strength or weakness, as the experiment otherwise would not be made on a sufficiently wide scale, or under equal conditions with the great private and individual producers, who would be able to extinguish the efforts of struggling groups with slender capital.

Probably some would fail, and the State would lose the principal; a greater number would succeed, and would honestly pay the interest to the State. But now an objector may say, 'If the associations pay 4 per cent. to the State as interest, and a liberal salary to their manager (because to get a good one they will have to pay liberally), how much better are they off than under the old capitalist *régime*? Under it the capitalist got the interest which now goes to the State, and he got wages of management, much of which

now goes to a manager. The difference to the workmen would not be great, amounting only to the difference between the old wages of management and the present manager's salary, which would not be much if divided amongst them all. To this the advocate of co-operation replies that in time the co-operators will repay the money borrowed from the State; that thereafter they will divide the interest amongst themselves, the principal being theirs as well, and the whole property ever after theirs or their children's. They will have an unencumbered property for an enfranchised and independent group of labourers till the end of time.

The final prospect is pleasing, but let us note that in the meantime to redeem the principal as well as pay the interest will require them either to make extraordinary profits or actually to cut down their own wages in order to find the means. They will now, if they persevere in their resolution, have to be as pitiless to themselves as their old master was in the matter of wages. They may have to submit to a reduction of wages of 15 or 20 per cent. unless they now strike against their own manager and their own virtuous resolution to free their encumbered property from debt. If they refuse to accept less wages—that is, will not save, and set aside more for paying the debt—they remain working for the State as capitalist to the extent of the interest paid, instead of for the old capitalist. Or they may take an intermediate course, pay off a part, leaving some for their posterity to pay.

But there is a further consideration. All the time a struggle, and a keen one—the old underselling competition of which the reader knows—has been going on between the associations and the individual capi-

talist. And it is by no means certain that even aided with borrowed capital the associations will not be beaten by the individual capitalist—the hitherto unconquerable. One would be rather inclined 'to bet on him,' to use Carlyle's phrase. He may be able to undersell them, get the lion's share of the field of custom, starve their profits. Nay, it is very likely he will do so. Without borrowed capital to help the associations he will be certain to do so, and to do it speedily if he cared to put forth all his strength for so small an object, which he does not. But to crush or check the new associations he will put forth all his strength. It is a life-and-death contest for him and his class. He will make it almost a point of honour to fight it out uncompromisingly, because if the first State loan has not been all lost, more will be asked and more lent, and his position will be more threatened. Now, in this struggle he will have great advantages. He has made this business of his, wholly or in part; he has been in it from early years; he understands all about it; he has been accustomed to direct it; he has an intense interest in it. Above all, there is, as respects his business, a single presiding intelligence, a single moving will, a single responsibility, and he himself is a born 'captain of industry.' He thinks always about it, broods over new combinations, meditates new processes, works successfully to get wider markets in ways he alone would think of; in short, is in his sphere, frequently a man of genius, at the lowest estimate is well versed in his business, and greatly interested in it. His eye and his energy are everywhere, and, if he could only get his hands to work heartily with him, victory would assuredly be

his. And can he not do so? Can he not identify them with his interest by offering them higher wages or a share in his profits above the customary level, or even by being content with a less average profit, the surest way of all? He can, and will; at least he will share extra profits with them; and accordingly I am disposed to look to profit-sharing, rather than co-operation, as the provisional solution of the labour question. At the same time I believe that both will coexist; because though the capitalist system will be well able to hold its own, I do not expect it to beat and completely drive the other out of the field, considering certain advantages which it on its side enjoys. I believe also that both ought to coexist.

The capitalist at least could never be finally driven out, in the way supposed by Mill—by the unaided effort of the labourers themselves. He could not be driven out without State-help, nor without State-help on a very large and comprehensive scale. And if he were driven out by this means we should have all the Associations of Labour paying interest to the State, unless indeed they refused to pay, and the State, at the cost either of the taxpayer or the fund-holder, forgave them. We need not here pursue the anarchic possibilities farther than to say that to drive him out might lead to universal chaos; while even if this danger were got over, and the associations had paid all principal and interest, had freed themselves, and worked only for themselves henceforth, it is rather more likely than not that the entire nation would be poorer than now.

They would have got rid of masters, it may be said; they are now independent, and the reign of equality is nearer. Perhaps they would have got rid

of all masters, and their dignity is doubtless raised; but they would still have to obey their manager as they now do their master, or they would not prosper as against each other, much less against their foreign rivals—unless they too had got rid of the capitalist.

Some co-operation there should be coexisting with the capitalist system, because it would make trades-unionism more efficacious, and it would probably hasten the union between masters and men in the form of profit-sharing. I agree with Professor Cairnes and M. de Laveleye that it would be better if co-operation could establish itself on a sufficient scale without State help. But I think this is not possible. I believe its success will be deferred indefinitely, and even its resources will remain unknown, if it reposes on labourers' savings for its start. But do they not uselessly spend sixty millions a year on drink? Is not here a fund? asks Cairnes. I ask in return, Will they save it? Are they likely? The human will, however free in theory, still moves under motives in most cases, and it requires rather strong motives to alter the national and inherited habits of ages as regards stimulants. Is there much hope that the men will alter their habits sufficiently, or will save on anything like this scale and deprive themselves of their accustomed luxuries, for what is after all only a chance? Not much at present, I fancy, nor until the cause of temperance has made much greater way with them. But Oldham has done the impossible thing, the co-operative enthusiast urges triumphantly. Oldham has successful co-operative production in cotton, why not other places?

Oldham has indeed to some extent done it, but even in Oldham there are few examples of co-opera-

tive production pure and simple, but rather of joint-stock companies, in which workmen have shares to a considerable extent, as well as other people. Excepting Oldham, the other instances of successful production that can be pointed to are few indeed. Professor Beesly, indeed, perhaps too sweepingly, contends there is not a single one, although the idea has been before the world since 1840.

The idea has not made way chiefly because there was not sufficient capital to begin with, and in times of crisis or depression a concern cannot be tided through without capital or credit to fall back on—the latter not easy to be got for an enterprise upon its trial, especially as it is not looked on with a friendly regard any more by financiers than employers. No doubt there are also internal difficulties of a moral kind—the old Adam of egoism fostered by the old system, and the jar and envy, the very opposite of the qualities required and presupposed for success, namely, fraternity and harmony in the workers. There is also the disposition to underpay the manager as well as to disobey or criticise his orders. But serious as these are, they might in future be got over. The new co-operative group, it may be assumed, would, like the old clan, develop the internal qualities absolutely necessary for its own life and successful work. So that the real difficulty in the way is the financial one. And there is no surmounting this without Governmental help, considering the strength of the adverse forces. For it is to be remembered that it is essentially a case of competition and staying power, in which a few associated and struggling men would not have the least chance against great capital and

capacity in the field already. A breath of the great capitalists could blow them into nothing. If, then, politicians or social reformers would have co-operation tried under fair conditions, let them press the claims of co-operators on the Government. How much, at what rate, to what industries, are considerations for responsible statesmen. I have only to declare my belief that without some help of the sort co-operative production will be long before it gets a fair trial so as to show the good that, as its advocates believe on tolerably sure ground, it has in it. Otherwise the experiment will not be possible in sufficiently diverse circumstances and on a sufficiently large scale to show the full capacities of co-operation. I believe a certain area of industry could be usefully occupied by co-operation. And I think that its existence on a considerable scale would have a good influence over the remaining and—probably for some considerable time to come—the larger portion of the industrial field under capitalist management. But I neither desire it to be made universal by this means, nor do I think it could be made universal even by this means, while the attempt to make it so would be attended by infinite danger and confusion. We want a good experiment much short of the dangerous point. It is what will probably be proposed in a future parliament in the interest of the working classes at no distant date; and considering the remarkable history of the transformation of industry in this century, with the redistribution and final massing of capital in comparatively few hands to the exclusion of the workers, these last can in justice claim that a moderate experiment shall be tried on their behalf. It will be for statesmen, as before said, to permit the

experiment to be made on a sufficient scale, and accompanied with such safeguards as to be beneficial for the workers and instructive for future guidance. To reconcile these divergent considerations is their special business.

According to Cairnes, co-operation affords the 'sole means of escape from a harsh and hopeless destiny.' I do not go this length. I think he is in error as to its being the sole refuge, and in greater error if he thinks there is much hope in it for a long time, unless the State in some way comes to the help of those who first show that they can help themselves.

§ 6.

Then there is peasant proprietorship, allotments, and small holdings, now much urged as a means of raising the lot of the agricultural labourer, or the poor in the rural regions. Now, with regard to the first and most important of these, peasant proprietorship, there is no doubt that it is the remedy required in Ireland, in the Highlands and Islands of Scotland, and perhaps also in parts of England, though in the latter without superseding the present system of tenant-farming with considerable capital.

As to the case of Ireland, there is now little difference of opinion amongst politicians, whether Conservative or Liberal, and peasant proprietorship will probably soon come, whether as the result of the Land Purchase Bill or in some similar way. The like may be said of the Highlands of Scotland. The Village Community will not be restored, but the clansmen will be enabled to acquire farms sufficiently large to live by,

the excess of population in future emigrating as before to Canada or elsewhere. The conditions and circumstances in England are different, and here there is something both for and against peasant proprietaries.

On the one hand, land is now going out of cultivation, because the price of its produce in corn will not yield the farmer a fair profit, owing to American competition. Now, though a large farmer cannot work it with a profit, this land might pay a peasant cultivator, assuming that he had a little capital to start with; because such would cultivate mainly for his own wants (and those of his family), without being much affected by American prices, whether high or low. If I have little corn to sell, it matters the less at what price I sell it. I would like to sell high, but if I had to sell at low American prices, I would try after supplying my home wants to have less to sell of that particular thing. To the extent of my home wants in corn it does not the least matter to me what American prices are; as to my surplus, it does matter. What is the result? If I can produce something other than corn, which I can sell higher, that I will produce rather than corn, after I have my own wants in corn supplied. If I cannot, then, as I am only a peasant proprietor, I will sell at American prices, glad to get them rather than nothing; assuming, of course, that there has been *some* profit in the cultivation, that the yield has not been so scanty, as in the case of some barren Highland hills, as scarce to have fed the labour spent on its cultivation. Even in that case a Highland Crofter will sometimes cultivate, and even pay a rent, because it is above all a question of living; he might cultivate, because the produce, minus the rent, may be *nearly* enough to live

on, and that is always something gained for the Irish peasant and the Highland cotter.

The advantage of a great number of peasant properties over a small number of large farms, worked by capitalist farmers for a profit as well as a living, is that the cultivators of the former, as in France and the Continent generally, are to a great extent (in France to the extent of near two-thirds of their produce) labouring for their own direct wants. One-third, perhaps, they will sell to supply themselves with other things necessary. To this extent they may be subject to competition, and in France the peasants are subject to American competition in corn and meat, against which they demand protection. Now, as to corn or anything menaced by foreign competition, they need only raise sufficient for their own wants; they are not bound to raise more of that particular thing. Let them produce something else, the price of which is not ruled by foreign prices, leaving the amount of corn that is required by the non-agricultural portion to be imported at the cheaper price. In short, let them not produce corn to sell at all; or if they must do so to some extent, then they must be content to sell at the price the foreigner can sell at. It will be good for their countrymen. And it will be good for the peasant proprietor, because it will give him something for his labour, and, *ex hypothesi*, more than he can get by any other labour. His other possible course is not to exert the labour at all; but that would be still worse. Better to have something than nothing. Besides, we are to remember that the alternative position for him is that of an agricultural labourer or an artisan of low grade in

the towns, and that the alternative as regards a good deal of the land—all that cannot be farmed on the large scale profitably—is that it lies out of cultivation, and on the hands of the landlord. The latter cannot do anything better with it than sell it (if he can only get purchasers), or let it out in small parcels according to some such scheme as that of Lord Tollemache.[1]

Such, then, being the state of the case, there would be a gain in letting or selling the land gone or likely to go out of cultivation in small portions to agricultural labourers, or to some who have gone to the towns to add to competition already excessive in the lower walks of labour, and to swell the social residuum. There would be gain in many ways, social and moral, if it could be done. It is not without danger that a country loses its agricultural population, which is not only its great final reservoir of physical energy for the towns to draw on, but which also supplies the best material for its soldiers. And where, we might ask, would England have been during her great war with France but for the ardent valour of her Irish and Highland regiments, as well as for the stubborn stuff of her own Anglo-Saxon soldiers, all drawn chiefly from the agricultural regions? In the long run, such are the 'country's stay in the hour and day of danger,' a consideration transcending all economic conditions, and one which no statesman should ever forget, come in the way whatever other considerations or interests there may.

The statesman who establishes the labourer in the country districts in England under happier conditions, either as small tenant-farmers or owners of

[1] See *Times*, September 2, 1885.

the soil, will deserve well of the country, as he would not merely have solved the social problem largely in its agrarian branch, and thus assured the commonweal at home, but he would also have made it 'whole as the marble, founded as the rock,' against whatever future foreign foe. This is one way to establish health at home, and union and strength as regards our foreign outlook. Let us add that the fresh plantation of the agricultural districts would lessen the human congestion and competition in the great cities, and thus would much simplify that dark part of the problem relating to the residuum that makes the most sanguine sometimes despair.

Statistics show a steady set of the population from the country to the cities. Census after census, the numbers of the agricultural population have steadily decreased relatively to those in the towns, especially in the great industrial centres. There has been a constant migrating stream drawn by the higher wages offered in the mining and manufacturing districts; and this stream, which began when manufactures were flourishing, still continues, though most industries in the towns are suffering from depression. The stream still sets to the cities, and even in augmented volume, because though there is depression in other industries, the depression amongst farmers is greater still. This is, every way regarded, a serious state of things, to which the above would seem the natural remedy. But there is the usual money difficulty. How is the labourer to buy the land? and where is he to get the little capital necessary to start with? As to the former, the State might offer facilities for purchasing, as it does in the Irish Land Purchase Bill, or the municipalities

might be empowered to buy (at 'fair prices' according to Mr. Chamberlain, and rightly) from landlords, compulsorily if necessary, a certain amount of the land proportional to the population and its wants. This land, which should not be of unlimited amount, the State might let out to small tenants, or it might advance the purchase-money at current rate of interest to the most promising to buy it out for themselves, the money to be repayable by yearly instalments spread over a certain number of years.

These farms could only be sold to those who had some small capital; to the poorest class of agricultural labourers, probably allotments of from half an acre to two acres would be better, as this would allow them to earn fair wages in addition.

In this way to some extent the sturdy yeoman of former days—the backbone of England's fighting power against the French—would be restored, in larger numbers though with smaller farms. A true conservative force would be planted in the country, as in France, because, as M. Thiers expressed it, there would be a gun on every acre to defend property. There would be a potential supply of soldiers, too, as there would commonly be two or three sons; one for the farm, one for city life, while one in a fair proportion of cases would be ready, for a time, to be a soldier.

Nor would this imply the superseding of the present system of large farming. This, where profitable, would still go on. And it would be profitable still in many cases, for American competition has a limit, like all other competition. In fact, American farmers by-and-by will not be able to sell wheat at forty shillings a quarter, and then our farmers' prices will rise again,

to the mingled joy and grief of the English people. It would thus not be necessary to buy up all the land in the country, or to lend the purchase-money to large farmers as well as poorer people. It would not be necessary, because the large farmers do not wish either to borrow or to buy. They would in general prefer to pay a rent as at present, provided it be not too high to allow them fair profits on their capital. If the large farmer bought the land his capital would be gone, if he borrowed from the State to buy he would probably calculate that, what between interest and instalment repayable, the sum might be more than his rent, and so he does not trouble himself about the matter. Fortunately too, because if all wanted to buy and to borrow in order to buy, the State could not get the necessary amount of 2,000 millions. Even its credit could not get the sum without much more than ordinary interest (probably 6 per cent. or more would be asked by the fundholder, which would be more than present rents). The State and the municipalities can find money to make plantations of small farmers and yeomen, but not to nationalise the land completely. The former is wanted, the latter is not—at least, not beyond the extent suggested; while even if nationalised it is doubtful if anybody would gain, supposing market prices paid to landlords. This, together with an increased land tax, a tax on ground-rents in towns, and royalties on mines, would seem a sufficient land nationalisation to meet the social necessities of the time. And something like what is suggested, if not exactly on these lines, will in all probability be attempted by the new Parliament, which contains the nation's future hopes. The lesser reforms,

such as the withdrawal of the Law's support and sanction from primogeniture, by which family pride has been fed and inequality kept up, the easier transfer of land, by the sweeping away of obstructions to its transfer, whether from settlements, uncertainty of titles and consequent high cost of conveyance, or any other cause, will of course be included in the greater changes which the rapid growth and ripening of opinion in the past few years has made necessary.

CHAPTER II.

ON SOME HEROIC REMEDIES.

HERE is, perhaps, the best place to notice certain schemes for the nationalisation of land lately mooted, as well as still more drastic plans for the nationalisation of land, capital, and all other things, as advocated by the Social Democratic Federation. A brief consideration of these several schemes will tend to clear the eyes of the working classes to the real issues involved, as well as serve to bring out more fully the nature and extent of the remedies we have suggested.

The land could be nationalised very simply in the way Mr. George suggests—by the State taking, without compensation, the rents now received by landlords, and it could then remit all our taxation, and have still something over out of the rents to divide all round. The farmer would pay rent as before, only, to the State as landlord, but everybody should get his share of the 120,000,000*l.* of rent; and as there are near 40 millions of us, we should all be entitled henceforth to 3*l.* per head per annum. That would be the amount of our gains, together with one forty-millionth of the joint proprietorship of the land. Each one could claim his fair slice of land without payment; and we should all be entitled (on an average) to two acres each, subject or not to rent, as we should all

agree, and there is no doubt we should all be gainers except the landowners by this summary method.

Or land might be nationalised, as Mill would prefer, by giving landlords compensation at market price. Indeed, Mill, tender to the landlords, would give them a little more, out of regard for their hurt feelings and sentiments should they be forced to sell. Now as to giving compensation at market prices, or, to exclude great oscillations, say the average prices for the past ten years, the chief thing to be said is that, while it could be done, though with some difficulty, by the State, it is extremely doubtful if it would do the mass of the people, or farmers, or agricultural labourers any good, while it would probably bring considerable evils with it.

If landlords are to get at least as much as would yield them their present rental, otherwise invested (the selling price being dependent on the current rate of interest on good investment), they must be paid a principal sum which will yield them their present rents perpetually. We shall suppose the present rental to be 100 millions (which is under the mark); 2,500 millions is the least sum they would expect, because even at 4 per cent. they would only get the 100 millions on it, and they have lost their social prestige and dignity, which Mill would compensate a little. And where is the State to get the capital sum? Only by borrowing. Suppose, then, that it is able to borrow the necessary sum at four per cent., though to get it would shake the whole loan and share market. It certainly could not get it all at four per cent.; it might perhaps get half at four per cent. and the remainder at higher rates. We shall, however,

suppose the whole 2,500 millions borrowed at four per cent. It is a large supposition, but it will only make our conclusion the stronger. How stands the case now? The landlords are paid their money, and may go; the State is now receiving the 100 millions of rents, but it owes the fundholders precisely this amount. The fundholders have a claim on the whole rents, and they have a mortgage on the land for the repayment of the principal. The State landlord has mortgaged the land. The fundholder is the mortgagee, who receives the yearly rent. In fact, in equity and in essence the fundholder is now landlord, with the difference that he is an absentee, and that the nominal landowner, the State, also an absentee, is represented by an agent or rent collector. The fundholder in the city is landowner, while probably the paid-off landlord is now become fundholder or shareholder, his ready money having filled up the vacancy in the loan fund made by the enormous application of the loanable money to buy out the landlords. There would not seem to be much gained by any by this method of compensation, and yet such is the general state that would result from compensation of all the landlords. We need not, therefore, dwell on the method of land nationalisation by full compensation. It could be done, but it would benefit nobody except the new land agents, and perhaps a few who lent last to the Government, while it would cause great temporary monetary confusion, and would have made a gap in the social life of the country, without any corresponding gain to people in general.

There could also be an attempt made to nationalise the land according to some such idea as Mr. Alfred

Russell Wallace's, which is intermediate between the ideas of Mr. George and Mill. Mr. Wallace's theory is that full justice would be done to the landlords if, when the 'Act for Nationalisation' of the land was passed, the rents received were guaranteed the landlords for two or three lives, so as to inflict no hardship on any. There is no doubt this is a great improvement on the simple confiscation scheme. It lets the landlords 'down easy,' insomuch that the existing landlord would be no worse off during his life and his son but little. But when Mr. Wallace goes on to say that no hardship is suffered by the man who purchases land before such Act of Nationalisation any more than if he had invested in consols, I think he is in error as to the fact, and I think further that his logic will equally lead to the nationalisation of shares and stocks, and, in fact, of all capital, whether in fixed form or circulating form, that at present yields a permanent interest. It would destroy hereditary businesses as well as hereditary estates, only that it would allow the present possessors a considerable breathing-time in which to put their house in order, and to make such change as the interests of their sons and grandsons would suggest.

I will not say that this slow nationalisation of capital as well as of land might not be a desirable thing, but I only say that to nationalise land and defeat the expectations of the purchasers of land that they were investing their money so that their children and grandchildren might have possession, while investments in consols and other things are not nationalised, is to deal unfairly with all purchasers of land before the nationalisation. There is only one

ground on which it could be defended: that for the future it must be understood that an interest for the present possessor's life and his heirs direct for two generations is all that the State will allow, in either land or invested capital, after which land and capital go to the State.

If I invest 10,000*l.* in landed property, and the Act is passed in my lifetime, I shall only thereafter get the rent or interest on this sum. The capital of 10,000*l.* is the State's. The capital, in short, no longer is mine. I am only getting the interest on it. I am robbed to the extent of the difference of 10,000*l.* and the selling value of an annuity of 400*l.* for three lives. Such, however, on Mr. Wallace's scheme, will still have their tenant right, and as this will rise in value, the landlords will 'perhaps suffer no loss whatever,' if only the value of this tenant right rises sufficiently high from the sudden great demand for land, either as residential estates or for farms or gardens. That is to say, if the landlord now sells, between the high selling price of his tenant right and the annuity which he receives for the quit-rent, he would have as much as he paid for the land; in which case all the world gains and the landlord does not lose, which is an unusually good ending.

As to the other parts of Mr. Wallace's plan, I consider them good, and that the whole, as a scheme on paper, is ingeniously fenced against objections. Perhaps, too, it is as favourable to all landlords, except recent purchasers, as they can hope to expect in the long run; but I do not think that it is at present a practicable scheme, nor that nationalisation in the sense of a very general diffusion of land will

come in other than slow ways. I should prefer to see the reversal of past injustices, and the more general distribution of land brought about by a different method, more in accordance with the general aims of practical politicians, as suggested in the preceding chapter. There is a possibility of success in this way; there would be no chance of Mr. Wallace's Act of Nationalisation being passed for many a day by Parliament without a total revolution in the disposition of the members of at least the Lower House.

§ 2.

If land could not be nationalised to the general benefit by giving compensation, *a fortiori* capital could not be nationalised in that way. It is evident that it would require the capital of the country and nothing less to buy out the capitalists. The State would have to borrow all the nation's capital, and some of it at much higher rate than four per cent., to buy out the interests of capitalists of all sorts, some of them making eight to ten per cent. The State, though with difficulty, might, as we have seen, borrow enough to buy out the landlords; it could not borrow enough to buy out the capitalists.

The amount of capital it can borrow finds its limit in the total amount of loanable capital. It could not borrow the part that is in fixed form, especially if it were making high interest. The most it could do would be to borrow a part of the loan fund; and the more it borrows, the higher it would raise the rate of interest on itself. It might, however, borrow enough to buy out the interest of some capitalists. It might,

for instance, buy up the railway companies, and it might work the railway service in the general interest. It might borrow the 600 or 700 millions necessary. It might substitute itself for the present companies, the present shareholders allowing their money to remain under the State's management at an agreed interest on their shares.

But if the State engages in any industry, or undertakes to discharge a service, it will do well not to permit any competition with itself, otherwise it runs the risk of being undersold by the private capitalist at his old underselling tricks, which he could better afford to try, and still make a better profit by, than the State. The State might, in any given industry, notwithstanding its general omnipotence and command of capital, be easily undersold, and finally become insolvent in that particular quarter unless the deficit were made up from its general resources.

For suppose the State had borrowed money to engage in the industry at five per cent., and suppose it cannot make the eight per cent. necessary to pay the interest, and to lay by a fund to extinguish the principal; suppose, pressed by the private capitalists' underselling and its own inferior management, it cannot even make five per cent., it becomes unable to pay its agreed-on interest, and hence becomes insolvent—a sad but not unlikely *finale*, from which, if it happened, there would be no escape except repudiation, or extra taxation to make up for the deficiency.

Now there really is no objection to the State being capitalist to a large extent. It is already so to a considerable extent. It works the post office and the telegraphs, and it engages in productive industries, in

which it sometimes is in competition with private firms. The extent of its civil service, too, is constantly widening, and the number of officials it requires for the public service is continually increasing. It might even to a greater extent than at present undertake works which tend to get into the hands of rings and monopolists, as in the case of the railway services, or other great monopolies of the companies, because in such cases the State would be less likely, being subject to parliamentary check, to arbitrarily raise prices on the public. But in nearly all other cases the waste, jobbery, and bad management of State administration would result in the public paying dearer than they would have done under private enterprise, the only difference being that State officials would divide what otherwise would become the profits of individual capitalists. It is best for the State in the general interest to leave industry free, not to undertake any industry to the exclusion of the private capitalist, or take up any business that can be profitably undertaken by voluntary effort, unless such as may be turned into dangerous monopolies. The reason being that private capitalists are under the keenest known spur to produce and sell cheapest, if not always to supply the best quality. Their interest coincides with the consumers' if not with their own workers'; and where it does not coincide with that of the workers, the latter may combine to protect themselves, or call on the Government to protect them.

But if our final conclusion be that only a part of the total capital of the country can be borrowed by the Government, and that such can with great difficulty become the property of the Government by fair

means recognised as within the power of the State, if it is totally absurd to suppose that the whole capital could ever become its property by any means save those indicated by Mr. Wallace in the case of land—namely, by allowing only an interest in it for one or two lives—then there is an end to any Socialist hopes of an early and an honest nationalisation of the capital of the country, through any however ingenious process, by the State-deity.

§ 3.

But there is another and a speedy way in which the State might conceivably become the sole owner of both land and capital. Both land and capital, and all that is upon the land and beneath it, might be forcibly appropriated by the State if it were so minded; and it might temporarily become so minded by a revolution brought about by violence. The State might become infused with a new spirit—the spirit of the revolutionary conquerors, under the impulsion of which it might confiscate all private property, and then set about trying to establish a new economical and social order on collectivist or socialistic principles, by the organisation of 'industrial and agricultural armies' under the direction of the State.

This is the ideal of the Social Democratic Federation, and of Mr. Hyndman, its literary champion. The way to land and capital here is the old heroic way, the way of battle, and the spoil to the conqueror, assumed to be the revolutionists.

Now it must be allowed that in the last resort men have the right of appeal to wager of battle; they do veritably retain as a right, that cannot be taken from

them, this last right. The right of appeal to the sword, all other remedies failing, in a cause believed to be just, is an inalienable right of man, because if he had it not there would be no sure guarantee for any other rights.

But though they have it, it is not a right to be often or lightly appealed to, as Hobbes, who lived through our great civil war, is emphatic in affirming; the greatest evils, in his opinion, that 'can possibly happen to the people in general being scarce sensible in respect of the miseries and horrible calamities that accompany a civil war.' Resort to the sword, insurrection against the existing State, should not be attempted if utterly hopeless of success for one thing, for then it becomes madness; nor except for an end morally good, nor even for such an end unless there is no other way. Still less is it to be tried if it can be shown to demonstration that the end aimed at—namely, the nationalisation of land and capital and its collective ownership, even if both could be temporarily conquered by a faction in the interest of all—could not possibly continue unless men's natures had been first greatly changed; while further, assuming it to be even temporarily successful, if it can be shown that it would impoverish all, and the workers most of all;—each of which propositions can be established to quite a sufficient degree of certainty.

The end, the confiscation of land and capital, would be itself morally wrong, and a great and flagrant injustice if accomplished. Even if right, or partly right, there is a better because a legal way—the suffrage. But the end could not be reached at the lowest computation without prolonged chaos, for

even a Socialist *Coup d'Etat*, supposing the thing possible, would not necessarily transfer to the revolutionary Socialists all capital and all property. Nor would they become the State. They might fancy they were. That point would be in debate, would remain to be proved. The State would, in fact, for the time cease to be as an effective entity, and there would be a struggle to ascertain who was the State and where lay the seat of sovereignty. We should be in a state of civil war, and back into Hobbes' state of nature, where no law has authority; in a state of anarchy, in fact, till the war was over—not a pleasant state to be in, whatever anarchists by profession may hold. There would be a civil war which might be long or short. It might deepen into a class war, the worst kind of civil war, and a thing terrible to think of. There might be civil war and anarchy long drawn out. Or more probably the Socialists' insurrection would be summarily suppressed in blood, leaving only hatred and ill-feeling in the breasts of the defeated as a heritage for their children. But even if conquerors like the Jacobins in 1793, and whether by the sword or the suffrage, all their difficulties would still be before the revolutionary Socialists. They would have nothing less than the reorganisation of the whole industrial and economical order, not perhaps an impossible thing for the system-makers on paper—in fact, it has been often done—but quite another matter in practice, when, the old order being first suppressed, you have to regiment a nation, and put all the units into their suitable places. Being given a living mass of human units, intractable at best, with the old egoistic dispositions, the old

Adam of self in each, with the spirit of rivalry, acquisitiveness, and envy ingrained in their nature by heredity from a hundred generations of a private property *régime*, and with the most energetic of them but lately stripped of their property—the problem is to put them all into the new co-operative groups, to put each one into his proper place in the agricultural or industrial brigades in the new system, and when this is all done satisfactorily, to keep them there submissively. It would be a work too great for a god almost. And who is to do it? Who is to find the fit, and put them all into their places? Presumably the leaders of the Social Democratic revolution; presumably Mr. Hyndman, Mr. Morris, and Mr. Belfort Bax are to form the triune-deity to do the mighty work—assisted, no doubt, by the communal delegates convened under their hand on the morrow of the revolution.

They will have a harder task this time than Danton, Marat, and Robespierre, the triumvirate of 1793; and I hope they will bear in mind that we cannot all serve in the industrial army, nor yet in the agricultural. Mr. Morris is an artist, Mr. Bax is a thinker, Mr. Hyndman a leisured man of letters; let us hope that artists, philosophers, and men of literary leisure may be allowed to exist in the Socialist republic, and that, though they may be compelled to a short service, or even occasionally go out for a fortnight's drill, they may not be forced to serve continuously in the ranks of the industrial army.

To assign to each one his fit place after the Collectivist conquest and confiscation would, one can dimly foresee, prove a difficulty. But even were that

difficulty got over, if each commune or municipal corporation, dominated by some strong representative of the centralised collectivist State, sent down to Birmingham, or Glasgow, or other strong individual centre, like Carrier to Nantes during 'the Terror,' to carry out the will of the central authority according to some general scheme (as to the particulars of which, however, we have not yet been sufficiently enlightened by any authoritative socialist exposition), still the system, we can confidently say without knowing details, would not long work, and it would not long last. It would collapse infallibly and speedily, for many reasons, but chiefly for this all-embracing, all-sufficient one—because the nature of man, of the human units, had not been previously adapted to the new and greatly altered system.

The revolutionist, anxious for short roads, forgets what is the chief thing of all to remember, and what is the chief lesson and conclusion of both biological and historical science in our generation,—the conclusion that human nature, sharing largely the nature of all animals, is after all a very stable thing; that though it may be changed, and has been changed, it can only be very slowly changed; and that the change in the course of a generation in normal ages is not very perceptible. Even in agitating and reforming ages, when change is quicker, it is still not very quick nor does it go deep, and such change as is brought about is a change of ideas and sentiment, which does all the rest, without need of violent revolutions, which tend to turn things backward.

The revolutionist also forgets the correlative truth to the above, the truth that at any given time human

nature is roughly adapted to its social environment, to the kind of work it has to do, and the sort of life it has to live, and as a consequence, if the environment is suddenly changed without the human disposition receiving a corresponding change, so as to be in harmony with it, man could not live under the changed state. The social environment is so relative to human nature as to be almost a part of it, almost the external expression of itself, more relative to it than the air to the lungs; from all which I infer that our existing unchanged human nature, the product of centuries, ever till lately tending more to individualism and property, could not live under the scheme of the socialists. You will have to go much deeper, gentlemen, in the way of revolution; you will have to produce, in fact, another kind of revolution before yours would have a chance of success. You must partly unmake, partly remake human nature; must remove a considerable part of the present man, which would prove inconvenient to himself in the communal group, as well as very troublesome to the general peace of the commune.

Our present human nature is both a complex thing and a developed thing, with many wants and desires. But of all its various wants and desires, there are three, deep, dominant, and certainly not decreasing, which it is apprehended would be either defeated or find no sphere in the co-operative farm, or the factory group, or the associated life and labour of whatever kind. One of these is the desire for liberty,—to have free scope to choose one's own career; to be free in one's thoughts, in one's actions, so far as compatible with not hurting others; to live a solitary life if one

wished to walk by the seashore when one fancied, in short, to live one's own life and in one's own way, all of which a good many can do in moderate degree at present, but which they could hardly do under the foreshadowed *régime*. Another desire is that for distinction, which, even in the primitive community gathered round the person of Jesus, showed itself in the 'strife amongst the disciples as to which of them should be the greatest.' Lastly, there is the desire for property, a desire of which we have already shown the strength, and which, it is much to be feared, exists in the breasts of most men, extreme socialists amongst the rest. These desires broke up the village communities of history; the last one in particular, shown in the person of Ananias in the first Christian community after the death of Jesus, probably broke it up too, and together they have made abortive the different utopian experiments initiated by St. Simon, Fourier, and Owen in our century.

For these reasons, then, I apprehend that the new system of State collectivism would collapse. For those forced to remain in it I should expect a large development of nostalgia for the old system, and an irresistible desire to return to it. I should expect much melancholy, new kinds of insanity, and if there was no escape, if emigration was forbidden, or if the idea of Karl Marx, the master founder, had been so far successful as to result in universal collectivism, I should look for a great increase in the number of suicides—unless indeed men, before self-slaughter, like Macbeth, similarly hemmed in, bethought themselves whether instead of dying on their own swords it were not better to turn them against their tyrants.

I should look for a new insurrection, for the inevitable 'counter-revolution,' for another social chaos, and, finally, for a general break-up of the communities for the second time in history.

There would be revolutionary chaos before society could get into collectivism, and reactionary chaos to get out again; for not even authority, pushed to the extreme of Robespierre and St. Just during 'the Terror,' could hold us in the authoritarian Collective State. Lapsed revolutionaries and reactionaries most of those left would become, and finally, amid general joy, there would be again a grand Restoration, after the biggest experiment in the history of our species.

Because it is not a revolt against a political or a social system, it is a revolt against existing human nature, that the revolutionist would attempt. The instinct of property is in us, in our very fibres and blood, mixed up with our entire and our inmost life. It is interwoven with our happiness and with the happiness of all who are dear to us, is associated with all that is consecrated in the thoughts of all. Till, then, you can root it out or diminish its excess (the latter a thing not wholly impossible), you are merely rising against general human nature—a kind of insurrection, especially when the insurgents have the thing they would rise against in their own breasts, that does not hold out much hope of success.

A successful rising against particular holders of property is possible; a transfer of property to other holders is possible, and has often been made; but a revolt having for object the abolition of private property and the initiation of the reign of equality will only succeed after the most radical of all revolutions—a

complete change in the human soul, and a change not confined to isolated individuals, but embracing the generality in each society.

Were it not better, then, for the revolutionist to try first to act on the thought, the conscience, and the heart; to preach the moral revolution before the crusade against property, to try to induce men to care less about property; to arouse feelings of love in them for each other, as the Founder of Christianity, also aiming at a social revolution, did; to appeal to higher feelings in men, to arouse nobler aims in them; to convince the world, and especially the richer portion of it, of 'sin, of justice, and of judgment to come.' If they tried this way they would have more chance of success in the long run. Nay, it would be the speedier course as well as the surer. We want this moral change first, and we all want it; without it, without the moral revolution, a political or a social revolution will inevitably be a failure, and the greater failure the greater the success it might have at first.

This is one course for revolutionists. There is a thing they might concurrently do which would involve a less change of methods. Before attempting to force the way to try their great experiment, let them try an easy preliminary one. Let them write out their minimum programme, and start revolutionist candidates for two or three of the parliamentary seats in London. This would be useful in several ways, besides showing us the strength of their following. And they may be assured, when they can poll a majority of voters they will then be in a position to give at least a trial to their theory on a larger scale. It would not work, we are convinced, unless men had been slowly prepared for

it, but they would have a constitutional right to press for its adoption. They would not have a moral right to confiscate property, though they would have the might if they were so unwise as to exert it.

§ 4.

The social democrat, the revolutionist according to the type approved by Karl Marx and Mr. Hyndman, wishes the State to possess the land and capital, and all other instruments of production; that secured by the short cut of confiscation, all would go well afterwards. We have seen reason to doubt this conclusion, and to apprehend that anarchy would result from an attempted realisation of the programme of the universal nationaliser.

But anarchy, though sure to result, is not contemplated as a desired end in itself by the revolutionary collectivist. Not so, however, with the Anarchist proper, a remarkable revolutionary type, who regards anarchy as a desirable and the first direct end to be aimed at, and to be striven for by all means and by any weapon. It is not indeed the final end, for that end, so far as the anarchist has described it to us, would seem to be, as with the extreme State socialist, collective ownership—only, ownership by the 'amorphous' commune instead of the State. Anarchy is not the final end even in the anarchist's social scheme, since chronic chaos and the hubbub of the human atoms would probably prove too severe an element for even the most determined anarchist to live in for a permanence, to say nothing of other less adapted temperaments. No: anarchy is not the final goal,

and social millennium. It is only a temporary end or first stage, but a *conditio sine quâ non* to the further happier end. This first end it will take efforts, patience, and time to bring about. Happily, however, it will not take a hopelessly long time, during which it must be striven for with undivided will and with passionate devotion, as a divine thing, before which everything in the world, private feelings and all else opposed, must give way. Such at least is the gospel of anarchy as preached by Bakunin, its most fervid prophet, and by Prince Krapotkine, his high-born convert.

The true anarchist desires the complete destruction of society in its existing form, and he wishes the final destruction of the State. The social fabric must be pulled down completely, so that there be not left of it one stone standing on another. All existing institutions must be destroyed, and first of all the State itself, from which most of the others flow, or from which they receive support and sanction. Far from wishing to widen its authority, or to make it universal owner and controller of land and capital, as the State collectivist does, the anarchist would reduce its functions to zero, and itself to non-existence. The State must cease to be, because the State is the source of laws, and laws are the very framework of existing society, and existing society is hopelessly, radically, evil. With the State will go down, in the first place, its two chief institutions, property and the legal family from which flow all the other evils. Along with the State must go down the Church. Religion must be abolished as well as property and the family, because religion as represented in an embodied visible

Church is an institution that has worked evil by adding its sanction and consecration to the other institutions of the State. It has nearly always added its sanctions to law, and taken sides with the possessors and oppressors. To destroy it more effectually, the very sentiment of religion must be rooted out of the hearts of men, and the name of God expunged from the dictionary. The head, the striking hand, the soul, the whole social body, must go down. The State, the Church, the tribunals, the military organisations, the civil administration, down even to the policeman, must cease to exist. All authority must cease. Anarchy without the street constable is the aim. He and his bâton, the last symbol of government and authority, must be abolished; and then mankind, having reached this great consummation, may at last draw a deep breath of freedom.

This is the first but indispensable stage. But the anarchist does not intend that men should halt here. Not quite so mad as he appears, he has a great hope, which he tries to justify. On the fresh level soil above these subverted and buried institutions which produced endless evils a new world will arise. A new social order will come in. The reign of justice, of righteousness will come; at least there will be a second great chance offered to the human race of recovering its once happy state, forfeited by the institution of the State, of laws, and, above all, of property. Once again our poor species will be able to make a new beginning. A second solemn choice of Hercules will be offered to the human race. It will turn over a fresh white page to begin a new career, enlightened by a long and terrible experience.

It will not this time, be sure, repeat the old mistakes, which have all but undone it here on the earth and have made the experiment of life all but a failure. It will not again commit the fatal blunder of permitting private ownership of the inheritance of the human race, or a monopoly of the accumulated conquests of civilisation in the hands of a few. No. This time things shall belong to all. This time we shall make the matter sure. This time we shall know how to check the true anarchic spirits, the same spirits that first troubled the primitive happy order. Should they show themselves again we shall do better than Moses, or even Solon or Lycurgus, who all meant as we do, but who finally failed. We shall devise more stringent checks than Moses did to prevent the usurer or the great landed proprietor from appearing in the land. This time the village community in the rural parts and the fraternal factory group in the cities alone shall possess, and shall make their own rules. And these will be few indeed. Equality shall exist: equal work and equal share of the produce. Liberty shall exist. There will be no more laws in the old evil sense required. Fraternity shall exist between man and man, between commune and commune. There will be peace from sea to sea, because nations and central governments will no longer exist to dash millions of armed men against each other in wanton and wicked wars, through their evil power of initiative. The State, once destroyed, will not easily rise again, because there will be no standing armies and no sword by means of which a would-be dictator might make himself master and give it new life. In fact, the State could only be re-born in the

old slow way of conquest, by wars and the absorption of one group by another, which would not be easily possible in the case of our communes. Two things only it will be necessary at all hazard to prevent by authority—the return of private property, and of a central government. The first must be prevented by the death of whoever proposes it, and there must be war of the federated communes to the death against any that seeks to predominate over the others.

Assuredly this time we shall not start on the fatal road of private property, if only we can get our first grand chance of a social *tabula rasa*. But to get that, destruction is first necessary, and the destruction of all existing institutions; and even, lest they might by any chance be re-born, the destruction of the theory that supported them, and the extirpation of the frame of mind in which they have their birth. There must be 'a universal revolution, at once social, economical, philosophical, and political, in order that the existing order of things—which is founded on property and exploitation, on the principle of authority . . . may be absolutely overthrown, so that not one stone of it may be left upon another; first throughout Europe, and then in the rest of the world . . . We wish to destroy all States and all Churches, with all their institutions and laws.'[1] Such is the anarchic programme, which, it must be allowed, is a sufficiently comprehensive one.

[1] See Laveleye's *Socialism of To-day*, an important work on continental socialism and nihilism, lucidly translated by Mr. Goddard H. Orpen, who has also appended an able and a useful account of the socialistic movement in England from 1848 to the present time.

§ 5.

A strange scheme of social salvation truly! 'Midsummer madness,' the reader may not unlikely say with some impatience. It is not madness, dear reader, though something of madness there may be in it. The central idea is not a birth of mere madness, but is essentially the creature of reason and logic. Indeed, to be too logical, to regard nothing but pure logic, to see only the relation of means and end, and to be utterly regardless of the means to attain the end, is the chief vice of the anarchist.

There is a method and a logic in the anarchist's theory that is wanting in the rival revolutionists, of the school of Karl Marx and Mr. Hyndman, and a little time may not unprofitably be spent in trying to understand the natural genesis of such a remarkable theory of society and government. Moreover, the anarchist's idea has made many converts on the Continent —in Russia, Italy, Spain, and even in France; and, although it has no avowed adherents here, the type of the anarchist exists, though probably without his ultra-logic and unscrupulousness as to means. On all these grounds, anarchism, and nihilism, its popular synonym, merits consideration, as well as for the further reason that the most threatening theories become less alarming and the most advanced ideas lose a part of their terrors the more clearly they are comprehended and their sources and causes shown. It is in the daylight of reason and examination that anarchism and the formidable phantom of nihilism will shrink away.

The anarchist's theory is that society is hopelessly

bad, and must be destroyed utterly to give a chance for a better society or no-society to appear. This was also, as M. de Laveleye points out, the notion of the primitive Christians, only that they expected the catastrophe to be a cosmical one, accompanying the second coming of the Messiah. That society is essentially bad was also Rousseau's idea; but he does not recommend destruction as the means of cure. It is not, however, difficult for the logical anarchist to find the essentials of his own creed, including destruction, in the 'Essay on the Origin of Inequality,'[1] though Rousseau himself never mentions violence, nor apparently even contemplates it, as the one way back to the happy savage state from which the species never should have emerged.

It was Carlyle's idea also that our actual society was hopelessly bad. He does not go so far as to say that human society is hopeless, though at times he goes close to it. But Carlyle is thoroughly of the opinion of anarchists and revolutionists that our existing society and government, the State, the Church, the Law, all institutions (save perhaps the fighting service), all pursuits and professions sheltered under them—whether businesses which compel you to mammonism, or the professions like the Church and

[1] The germ of the anarchist's creed is in the following passage: 'Malgré tous les travaux des plus sages législateurs, l'état politique demeura toujours imparfait, parce qu'il était presque l'ouvrage du hasard, et que, mal commencé, le temps, en découvrant les défauts et suggérant des remèdes, ne put jamais réparer les vices de la constitution: on raccommodait sans cesse, au lieu qu'il eût fallu commencer par nettoyer l'aire et écarter tous les vieux matériaux, comme fit Lycurgue à Sparte, pour élever ensuite un bon édifice.' (*De l'Inégalité.*) The doctrine of the *Contrat Social*, on the other hand, favours Collectivism and State Socialism.

the Bar, which, 'by the hard bonds offered you to sign,' 'fatally compel you to be an impostor before entering'—are evil, and there is no hope whatever of curing them by reforming methods after the approved pattern of Benthamee Radicalism. In the 'Latter Day Pamphlets' we have the very spirit and ideas of Rousseau, only expressed with a fervour and an energy of conviction, and accompanied by a power of denunciation, far beyond Rousseau's capacity, and hardly even attained by Isaiah or Jeremiah. To Carlyle Parliamentary Government was a proved failure, with its Windbag Captains steering the vessel of State into 'the belly of the abyss,' by the 'waltz of all the winds' called breath of public opinion. Our National Church was a thing out of which the soul had long fled, a mask that glared on you 'with its glass eyes, in ghastly affectation of life,' long after religion had quite withdrawn from it, and behind the mask were 'only spiders and unclean beetles, in horrid accumulation, driving their trade.' Literature was a mad foam ocean, the refuge of 'frustrate capacity,' and of 'expatriated spiritualisms,' a province where no true literature was produced and where the sham literary genius was expected to amuse grown children. Democracy was a failure, the suffrage, our one hope of salvation, quite hopeless; because only by a true king, a wise and capable man to reign over us, could we be saved. Our cure was nigh desperate, but unless the one remedy be found and applied, the final break-up and boiling over of the great deep of real anarchy was near.

Now, when a man has reached this point, he is a revolutionist by principle; when he sees all to be

evil, and denounces it passionately and with all his energy, he is a revolutionist. He desires a change, wishes for it strongly; wishes, if not for the destruction of the things he denounces, at least for their summary disappearance. Carlyle is thus a revolutionist at heart, but he is not an anarchist. On the contrary, anarchy was hateful to him, and it was because he considered our present system to be anarchy, as well as embodied imposture and cant, that he wished it abolished. The present so-called order was anarchy in his eyes,—'anarchy plus the street constable,'—and it would be soon open anarchy without the street constable, if the true rulers were not found. We were a no-society, a society in a state of war, but cloaked war conducted under conditions of law and due rules of the game. As to the means of escape, Carlyle looked chiefly in the first instance to a moral change, and this having done its work, like the Hebrew prophets he looked to the virtuous single ruler, to the Cromwell in the seat of sovereignty ruling a people in judgment and justice,—to the 'one strong man in a blatant land who can rule and dare not lie.' But the Messiah of society Carlyle did not prophesy confidently. He sometimes seems to despond as to his appearing. But if he did not come, society was lost and would go down in anarchy.

We have here three ideals, all of which would require revolution to realise them: the ideal of Karl Marx—the State the collective owner of the land and the means of production, with agricultural and industrial armies, democratically organised: the ideal of Carlyle—with the single wise ruler on the throne to execute judgment and regiment his people; thus dif-

fering in making the single brain and will of the ruler essential to the State, the like holding in the sphere of labour, where the 'captain of industry' commanding his labourers is the ideal instead of the democratically constituted co-operative group, electing its own manager like soldiers their captain: lastly, we have the vision of Bakunin and the anarchists, a little resembling Rousseau's State of Nature only more developed—the commune embracing the village community and the fraternal factory group—a peaceful idyllic vision seen across the stormy sky of anarchy and destruction; where war is done with; the scaffold abolished; the prison, the penitentiary, and the workhouse gone; a calm and peaceful evening for our species, after a tempestuous and stormy day.

Now of the three, supposing any of them were reached, the ideal of the anarchist is the most logical and the best conceived to guard against a return of the old evils For the State, the owner of all and the director of all labour, could not prevent the return of private property, as we have seen; while even should the system last, the workers would have to be paid unequally. Moreover, the State authority could always extinguish liberty, so that probably the present evils would exist intensified. As for the Carlylean vision, the virtuous monarch dies even if we could get him, and his son is neither able nor virtuous; and the new able man has to be sought for by the same painful methods as before. When you have him, like Cromwell, he is in the midst of ceaseless wars and broils; and when he dies, his work, like Napoleon's, 'all goes down to the old pots and nettles.' The true part of Carlyle's teaching

is that we require a moral and psychological change, and that accomplished, all other good things might come out of it. But such a change requires time, and, moreover, is not the thing chiefly emphasised by Carlyle. As to the ideal of Bakunin, with a few improvements that might be suggested, it would not be so bad a one for the human species as a whole. In the commune we should all go up or down together. It would be a company with equal liability of all members, but the liability limited, and the advantages, great according to the communist, would be shared all round.

As the anarchist says, the simple commune, once reached, with the State overthrown, it would not be easy for the State to raise itself again. But for this it is necessary that every State be overthrown simultaneously; for if even one be left upright, with its standing army, all the communes could be subjugated. So that the anarchists have their work cut out for them. As they say, quite logically, the revolution must be universal, first in Europe—and then, for fear the 'restoration' would come perhaps from across the Atlantic, or haply from China—in all other countries. The only answer of the anarchists to this difficulty is that the communes would be federated for defence against the outside foe. But federation is already a loose kind of State organisation. Agreements, if they bind, are a kind of laws, especially if the majority would compel their observance; if they do not bind, they would not serve for defensive purposes.

The difficulty, truly, of the nihilist and anarchist is to get the amorphous commune, to get rid of the State, and then of all States. If the universal com-

munity were come, it might be possible to keep in it, spite of the hazardous 'instability of the homogeneous,'—the difficulty is to get to it. The anarchists avowedly cannot get to it save by the destruction of all actual institutions, and these naturally object to being destroyed. The State, in self-defence, uses force, and hence the nihilist and anarchist, like Blanqui, so often finds himself inside a prison. The mad side of anarchism is not so much in its theory, which is a logical development of Rousseau's principles, as in the thought that it is possible to realise it by force, and the irrational thing in it (the same as in State collectivism) is the notion that men unchanged in disposition would not demand to be 'led back into Egypt,' and the bondage of the old State system with its adjuncts of property, religion, and the family.

If the anarchists would have people enamoured of their final goal, they must cease their violent means—that is, they must cease to be anarchists, and, being already good logicians, and some of them high-minded enthusiasts with noble aims, they must try to act on the reason, the conscience, and the soul. They would do more on these lines than by killing monarchs or firing public buildings, criminal means which only provoke extreme repression.

I can, however, conceive circumstances under which Nihilism would be the politics and even Nirvana the hope hereafter for the mass of men.

Given a State worked in the interest of the few, the government in their hands, with the Law used as means to get and keep possession; while new laws are

made by the governing classes in their own interests, and to the hurt of the many; where such policy, long pursued, has at last done its work, and left the few, rich, in possession of the land, the means of production, the government of the country with all its offices and places; the many, poor, and wholly dependent on the rich for employment, without property, and without liberty save in name; given a Church that for ages aided and abetted the powerful and the rich, by giving her sanction to their spoliations and by inculcating on the poor the duty of docile obedience, herself coming in for a share of the spoil, in a sort of conspiracy, not only against the political and social rights of man, but against the sacred rights of conscience and free inquiry; given official philosophies and theories of society accommodated like the teachings of religion to the support and consecration of the existing order with all its evils; given a long general darkness at length succeeded by the first dawn of light in the masses; above all, let there be a large number of young men of the lower middle class, educated, but without careers or prospects; let there be no word of reform, nor any hope of matters mending soon—and you have the general conditions under which a deep dislike of existing society, its institutions and laws, will be sure to be born, and a fitly prepared soil for the spirit of nihilism and anarchy to take up its abode with good hope of a prosperous future. Such are not quite our circumstances to-day. But such were very nearly our circumstances once, and that we escaped passing through the storm of anarchy when things were worst was partly owing to good luck, partly owing to the fact that we shortly afterwards, and not an

hour too soon, under radical reforming impulsion, set about changing things. We have been on this the only safe course for some time, but we must do more and move faster. For the picture above drawn, the conditions of nihilistic development above given, still correspond sufficiently closely to our actual case and social situation to make the latter full of danger against which the only safeguard is more complete and thorough reform[1] which is also called for on grounds of justice.

[1] Happily our reformers of local government shadow forth in the 'parish,' the integral social unit, something faintly resembling, but more real and less 'amorphous' than, the commune. And, what is more remarkable, Sir Charles Dilke's ideal is the Anglo-Saxon village before the Conquest. The parish or township on his scheme is to have certain powers of government, including probably the power to buy up and grant allotments; and thus may be partly realised the most rational part of the anarchist's dream without destruction, and much to the health of the State. But if what we have formerly said be sound, it would be a mistake to make the village community of 1,000 years ago a model to be aimed at, because, first, that community was a semi-servile one; and secondly, the outside environment, social and civilised, of the village or township, as well as the internal life and social relations of its inhabitants, have so totally changed, that it would in fact be impossible to call into life anything closely resembling the proposed original model. The attempt to evoke such an extinct social organism would fail for various reasons, the chief of which we have already stated in connection with the proposed recalling to life of the Highland village community (p. 314). This, however, is merely said to deprecate a misleading model, not to discountenance urgently needed reforms adapted to existing wants and complying with existing conditions.

CHAPTER III.

MALTHUS.

§ 1.

WE come now to the fundamental and famous specific for poverty, known as Malthusianism, upon which it is necessary to say something, because eminent men have advocated it, and some still advocate it, and though somewhat discredited as a remedy, if we omitted to consider it some might say we had missed the true cause and ignored the only cure of poverty and the social ills attending it. For the rest, the topic is in itself one of great importance as well as one of much difficulty and delicacy.

According to Malthus, and Mill his most eminent disciple, the cause of low wages in the working classes, and of poverty generally, was a too redundant population, the 'pressure of population on the means of subsistence,' as they express it; and the remedy was 'prudential restraint,' either by abstinence from marriage or due restraint on the possible number of children on the part of those already married. 'Intemperance,' to use Mill's word, in the way of introducing more children than a certain permissible number was the cause, and must be discouraged first by opinion and finally by law.

If wages are low and poverty prevails, it is because there are too many born compared with the productive powers of the country. Let this excess be restrained by abstinence from marriage and from the begetting of children. Intemperance in this direction is worse than any other intemperance, inasmuch as it results in calling into existence 'swarms of creatures who are sure to be miserable and certain to be depraved,' and who moreover would be an increasing strain on the resources of the more fortunate, compelled by the Poor Laws to support them in extreme cases; in so much that without restraint the increasing numbers would at last drag all down to the abyss of poverty, 'civilisation and all that places mankind' above a nest of ants or a colony of beavers having perished in the interval.'

Such is the evil and the danger, such its cause, and such the remedy, according to Mill. Not going quite the length of Hamlet in the scene with Ophelia—'We will have no more marriages'—the Malthusian contents himself with laying down the principle that there must be a limitation in marriages, first by opinion, and finally by law. Men in the working classes must not marry till they have a reasonable hope of rearing a family, limited in numbers, to be as well off as themselves. As to the middle classes, they have, to their benefit, been long practically influenced by Malthusianism, and there is little need to emphasise its teaching in their regard.

This pretty scheme of Malthus and Mill in its entirety is nothing less than an heroic attempt to keep the sexes asunder, for although it only forbids marriage it is evident, the object being to prevent too

many children from being born, that the prohibition must be understood in a much wider sense, and as applicable to children born outside the married condition as well as in it; in short, it implies either that the sexes shall not come together at all, or if they do that children beyond a certain number shall not be born. Now the conditions seem both somewhat hard and would be impossible were it not that, in fact, a qualified dispensation is happily allowed to the select ones on whom devolves the honour and responsibility of keeping up existing numbers, for this is always granted by the Malthusian, though somewhat grudgingly by Mill.[1] A relaxation of the rule is also allowed to those who are best off in each class, or to those sufficiently well off to afford the luxury and to incur the responsibility. But if, as Mill argues, those in the large lowest sections of labour are all badly off together, then it would seem to follow that none of them should marry till their wages were raised—a form of combination hardly likely to be entered into at present, as Mill himself allows, though not without better hope as regards the future.

§ 2.

Now I do not oppose the Malthusian remedy on the extreme ground taken by some that no country is at present too populous for its resources, or that no country ever has been too populous. The first is very disputable and the second is easily refuted by

[1] Logically, Mill could hardly allow it; for if labourers, badly paid as he says, forbore to marry till wages were raised, they might have to forbear for good, with resulting total failure in the crop of labourers.

history, which continually shows to us migrating hordes moving off from over-peopled places to regions where people were fewer, or at least where if they were numerous they might be conquered. Over-population of special regions and movement to other regions is indeed the leading fact of history up to our day. Neither do I oppose it on the theory of Mr. George—namely, that the greater the number the greater the wealth produced, which is only true up to a certain density of population, but does not apply to an indefinite increase of population, because if true it would allow of increase till there was no more standing room; nor yet on the theory of Herbert Spencer, before whose serene and confident optimism all evils go down abashed or transform themselves into good—the theory that redundant population is good, and has been good through history, as the source of civilisations, and if it ever ceases to be a good we shall get a deliverance which he indicates and promises—because at the present time, with which we are chiefly concerned, it is a questionable good in the total, which must result in the annihilation of the savage or semi-civilised and inferior races, and in the expatriation of the superior. To the species as a whole, the elimination of its inferior types may in the end be a good; but it is clearly not a good to the races doomed to extinction if they lose life, the only good—unless, indeed, on the theory that life is not a good thing. Nor can the accompanying processes, militant and other, be considered altogether morally good by the philosopher of Evolution. Finally, I do not deny that we may have, even in these countries, even in England, too great a population in the next fifty

years, as we should now have had such result were it not for a past emigration.

What I affirm is that Malthusianism offered as a remedy is simply away from the facts of the case. It is a remedy that is no remedy, because, first, as Cairnes, himself a Malthusian, admits, there is no chance of its being applied by the patient; next, and still more, if it were applied to the extent recommended, the cure would be still worse than the disease. It would bring, or be accompanied by, still worse evils than those it is intended to take away.

I affirm that on a large scale Malthusianism has never been put in practice as matter of fact in any modern country since it was first preached,[1] not even in France, so greatly eulogised by Mill as our exemplar; further, that it could not be put in practice, the forces opposed to it being too great, including, not merely, as Mill supposes, an overcharged animal instinct confined to one sex, but religious teaching, human nature, and the all but unanimous voice of the opposite sex, on which last cardinal point, I venture to think, Mill was under a decided delusion in regarding women as favourable to Malthus, so far as his doctrine implies non-marriage.

It is most certain from experience in the total

[1] The case of Bavaria, mentioned by Mill, might be urged as an exception, because there is a sort of State Malthusianism there in the prohibition of marriage unless under certain conditions. But in Bavaria, where marriage is made difficult, it is found there is an exceedingly high percentage of illegitimate children; that is, there is the worse social evil of a class of outcasts under a social stigma, and without the ordinary civil rights; a class which if very numerous would constitute a social peril, because they would have a genuine grievance, until law and opinion removed it; so that the prohibition of marriage would be in fact either useless or dangerous.

that Malthusianism has not been put in practice, not even in the most populous countries, which is itself an argument against it from the universal human experience and universal human instincts, though, of course, individuals at all times have abstained from marriage on prudential as well as on other grounds. But, apart from what experience shows as universal fact, a knowledge of human nature (in this coerced by great Mother Nature, extremely conservative on a matter relating to the preservation of the species) should teach us that there is not the smallest chance of Malthusianism prevailing. So long as human nature is as it is, the doctrine of Malthus will fail, and this, relating to the further life of the species, is about the last part of human nature where we may look for a change. Something greater than human nature is here at work: mighty universal Nature, who insists before all else on the life of her choicest species

Men and women can indeed refrain from marrying—especially the men—but the question goes much deeper than marriage—and this is the side insufficiently dwelt on by Mill. The question is, Can the sexes, after a certain age, be prevented from coming together in such wise that children are likely to be born?—the sexes observe, and not individuals of either sex, because social science has to do with the rule, and not with the exceptions. And the answer to this—a question partly of physiology, partly of biology, on which last point the whole animated creation gives a most decided hint by way of answer, even to the Malthusian—the answer being assumed to be very decidedly in the negative, the only remaining question whether they come together in

marriage or some other relation having different legal consequences to the children is a question as to which brings the less moral and social miseries with it. I repeat it that mere abstinence from marriage would not bring the desired Malthusian end of fewer children, because the children may be born outside the married state, and, if some were forbidden by law to marry, children would be born in greater numbers than now. It is a question of marriage, or of men and women living together without marriage, or of something worse than either for both the working and the entire population of a country, promiscuous intercourse of the sexes. But even of the two former alternatives marriage is decidedly the better and the wholesomer morally for the working classes as for the whole social body, so closely bound up with them in moral health as in material wealth. If children are to be born in either case, better that they be born inside the married state, though this applies with less force the lower we descend the grades of labour, because where there is no property the children suffer no legal disabilities, nor are they in the lower ranks thought to be under any social stigma if thus born, the practice being, in fact, too general to permit such feelings to arise. As we ascend the scale of labour men marry, though they do not marry so early as those in the lower ranks. They marry because, apart from the influence of religion, the state of lawful marriage is thought to be more respectable, and because their children will be under no legal disabilities in the matter of property or otherwise.

'But it is not necessary for children to be born outside wedlock any more than in it,' the Malthusian

will probably say. Well, then, how to prevent it? What is your specific? Chastity? But men will not be chaste, at least not chaste in the Malthusian sense; they never have been, never will be. Science can predict this with great confidence of the species in the total (and all Nature gives her significant analogies) so long as the proposition remains true that 'man is an animal'; and no resolutions passed at St. James's Hall or elsewhere in favour of sexual morality will alter the fact. We still then ask the Malthusian for his specific. Promiscuous intercourse, regulated and made safe by the State, would hardly do for our working classes (and the Malthusian question chiefly concerns them, as the greater number). Or shall we say exposure of infants, or Dean Swift's remedy for excessive population in Ireland, or a little of each, including fewer marriages? On the whole, I should recommend honest marriage as decidedly the best of all for working men, even though many and serious objections there are against early marriages and many children. It seems, on the whole, to have least evils connected with it, though it might, if a man were very poor, bring many evils with it.

For the social residuum, containing the lowest poor, I would not recommend marriage were there any means of preventing its members from procreating children outside the married state. That the lowest poor, and thieves, and beggars, and worthless loafers should breed swarms of children is an unmixed social evil, and especially bad for the children, for at this point one is obliged to be both a Malthusian and a pessimist—to say that life under such conditions is an evil rather than a gift. But there is no use in

preaching Malthusianism to these degraded and reckless classes. They cannot be coerced without worse consequences, opinion does not act on them, and counsel is lost on most of them. The lowest poor, so long as they are so, and the sickly, diseased, and deformed of all classes, should refrain from marriage, but we must trust first to the growth of a sounder general sentiment for restraining them rather than to legal penalties.

§ 3.

According to Mill, 'the restraints on population, so far as the habits of the labouring classes are concerned, may be considered as non-existent; most of them marry as early and have as large families as they can'; and this assertion still holds good. Consequently Malthusianism, his great remedy, has not touched them. The remedy then has failed because those most chiefly concerned, the labouring classes, on whom the population chiefly depends, refuse to apply it.

But there is a reason, not yet adverted to, over and above the imperfection of human nature, which has prevented the labourer from taking the teaching of Malthus to heart. The labouring poor are induced to marry and to have children because a large family may save them in their old age from the workhouse, instead of sending them into it sooner. A man childless, when past his work, will go into the workhouse for certain unless he has been unusually frugal; but children *may* save him, and meantime he has lived the natural human life as well. Let the

Malthusian meditate on this side of the matter a little.

When a man is getting past his work, if he have grown-up sons or daughters they will very often be able to support him, and they will mostly do so if they can, and the more children the greater the chance that some of them will be able to keep him. If he have six children he will have twice as good a chance of being saved as if he had only three. All of them will not be doing badly, and those who do well will make efforts to keep their old parents out of 'the House,' while those who are not able will be at least no burden on them. Doubtless there was required a greater effort to rear the large family at first, but by degrees the elder begin to be self-supporting, and when they are grown up they will, in proportion to their ability, repay their parents. Such at least is the parents' hope, and in this hope they are in a large proportion of cases not deceived, especially as the burden on the children not being a long-enduring one, they will make greater efforts to bear it.

That is one consideration which tells against Malthusianism. Another is this. Why should the labouring classes, with all their hardships and privations, deprive themselves of that which chiefly sweetens and makes human their lives? Why, even on lower ground, should they deny themselves gratifications which fortunately they can have as well as the high-placed, and which cannot be taken from them, like most other pleasures which cost money? From all which things I infer that it is preaching to the winds and waves to inculcate Malthusianism on the working classes, as even Cairnes himself, a disciple of

Mill and a Malthusian in principle,[1] admits in his last work. The agricultural labourer, the factory operative, the miner, the town mechanic, the great bulk of the workers will not listen to the voice of the charmer, come he (or she) in whatsoever guise. They have a logic of their own on this point; they are philosophers, fatalists, above all they are human beings, and the Purpose of the Universe and great Nature have a mighty hand in the matter which no Malthusian is ever likely to render less potent.

And even if all the male sex agreed together for Malthusianism there is still another influence to be reckoned with which will surely count for something —the opposite sex—and the ladies to the last woman would vote against Malthus. Mill seems to think differently, but I cannot help thinking him astray in this important point in the question. They are at least much more pledged to the institution of marriage than men. Thus, then, finally, we have against Malthusianism religion, human nature, and the vote of the sex cast solid, as it would be if the question were put to the vote. Judge, then, what chance it has of success.

A much greater prophet than Malthus went against marriage—the mighty prophet of the East, who came, as his followers say, 'to put an end to sorrow.' But Buddha was a pessimist, and knew what he was about. He was convinced that life was an essential evil, and he consistently opposed marriage as the source and fountain of further life. In his great revolt against life, in his tremendous idea and

[1] At least, in his early work on the *Logical Method of Political Economy*, he includes the principle of Malthus as one of the fundamental principles of the science on which all its conclusions hang.

scheme of salvation, to lead the species out of life into Nirvana, it was an essential point (as it is with his modern disciple Schopenhauer) to 'kill the instinct to live,' and as a consequent to extinguish desire which prompts to sexual approaches. It was a great idea, though indifferently successful in the populous East. As for Malthus, he was not a pessimist, but an optimist. He did not wish to kill the instinct to live, but only to repress the instinct which is the product and typical expression of the former, the instinct to continue life. Malthus was therefore doubly bound to fail, as well by want of logic as by want of knowledge of human nature.

Even Buddha failed to slay the instinct to live here on the earth, and especially in Southern and Eastern Asia, to which his doctrine was addressed. There the earth teems with irrepressible human life, in spite of its evils, greater still than in Western Europe. Much more will the smaller prophet fail, so long as there are two new worlds, America and Australia, still largely unoccupied, and able for a long time yet to support the surplus population of our race.

Doubtless a day may come when the earth will all be fully peopled, although as a fact it has hitherto peopled very slowly, and some countries have become unpeopled. Such a day may come, as a day may come when all our coal may be used up. And both eventualities would be very serious. But both are a good way off, for one consolation; moreover, some saving chance may always turn up in the interim. Some substitute for coal might be extorted from Nature by Science, just as coal itself was found when wood began to fail for fuel. And something might be discovered

to save us from the danger of over-population at that distant date. Several things may be conceived which would mitigate the danger. Amongst other mitigations Herbert Spencer thinks that increased brain development and greater draft of the vital energy for intellectual purposes will gradually lead to a lessening population in future; in other words, that the species generally will put on more of the philosopher and the *savant*, and let the animal gradually die; that more books and theories will be produced and fewer children. And there may be hope in this quarter, though it is to be feared that the remedy will be too late, considering that alterations of physiological function are very slow on evolution principles. It will be slow, but perhaps the peopling of the whole globe will be still slower, considering that there is such a thing as decrease of population in many lands from unknown causes, and that in the last resort, as Hobbes says, there is the sword, the old thinner of population, the positive check of Malthus. There is a faint hope, however, in Herbert Spencer's theory. Let us cherish it for want of better as regards the distant future.

Meantime our case is not hopeless. We have increased steadily in population since Malthus wrote in 1798, but we have increased in wealth still more. Nor has population at all trod closer in the wake of subsistence. When worst comes to worst we must bethink ourselves. At present probably not one-third of the labourers are engaged in producing mere subsistence. They do it for the rest as well as for themselves, they do it abundantly, and we are far as yet from the condition of a besieged city whose first care is to have sufficient food.

§ 4.

In the case of the middle classes, especially the lower and larger portion, the question of Malthusianism presents itself somewhat differently, and the subject is more complicated. In fact, no general rule can be unreservedly laid down, and, as usual, there is only a choice after a balance of good and evil.

If these classes wish their children to maintain their own social position, they must not have too many children, because the number of places to be filled is limited. There should not be more in a family than the parent can reasonably hope to bring up, educate, and find a place for, taking the sum of chances into consideration. At present the struggle for the good places is keen; in the coming democracy it will be still keener, because, owing to the spread of cheap education, each class will be exposed to the competition of the higher section of the class beneath, partly swelled by the select from all the classes beneath. Many fenced-in pursuits and social preserves will be broken in upon. Some reserved seats will not be permitted, and though this will be partly good for the struggling middle class, by throwing open more places to competition, it will make the competition keener and closer, and will necessitate many exclusions. The number of openings and places will happily increase from a different cause—from the increase of wealth and material progress—but they will not increase sufficiently for an indefinite increase of candidates. What, then, are the middle classes to do to hold their ground? The numbers must be restrained. Some of them must

therefore either keep single, or keep single for a considerable time, or if they marry they must not have large families. There is perhaps one other alternative. They might run their chance on a narrow income, but if they do, they will have to lower their standard of living, and, in general, cultivate simpler and less expensive tastes and ways of life—a thing, in many cases, both desirable and possible, but in regard to which they will have to be seconded by the ladies. Happily, however, this is becoming more possible, both because in these days of general awakening the ladies have also 'awoke to consciousness' of the realities of life, and because they are now, as suits their awakened state, receiving a more rational and less ornamental education than formerly.

The single state is not without its serious drawbacks even for the males, and it entails serious social consequences; because, as already intimated, it by no means necessarily implies a life of complete non-intercourse with the other sex. The contrary rather is the rule. And then we have one or other of two formidable social evils: we have increased illegitimate children;—a class most unjustly and harshly used by society because not born in lawful marriage; a class deprived, too, of a father's care, to indulge the father's selfishness; a class banned from birth, whose eternal grievance and quarrel with society Edmund, in 'Lear,' has spoken, and to whom Edmund's question 'Wherefore base?' continually recurs; in short, a most dangerous class of social outcasts, shaped by nature to be anarchists and leaders of such, both because they are victims of law and social institutions, and

because they are frequently of great natural capacity and spirit, and the very ones that in Plato's Republic would have been picked out as amongst the most promising.

Malthus in the middle classes means an increased number of these, as well as more foundling hospitals, neglected children, and massacres of the infants. And there is the other alternative of promiscuous intercourse (probably resorted to as well as concubinage), though proscribed by Malthus and Senior; the chief cause of the mournful procession of fine women on the town, because it is in the long run the demand that brings them, and the demand chiefly of the unmarried men of the middle class, as in most cases it was one of these that was the first cause of the woman's lapse.

Nor is it a good sort of life for the man himself: no love; the finest thing in life missed; the best and most natural kind of society impossible; the man himself grown selfish, heartless, materialised, unless he has partly saved his soul, and kept his heart alive the while, by some unselfish public service. Yes, assuredly he has had something to pay for his ease in money matters, his pleasant club life and society, and his general freedom from care and responsibility; not wholly a success his sort of life either, as with regretful pang he sometimes feels. It is not altogether a good state for him, nor is it a natural state for society; instinctively we think of Rome in the age of Augustus, when the well-to-do also held back from marriage, and the retrospect and comparison is not reassuring.

We have only a choice of evils, and no general rule

is possible; but this much I must finally say, that most men in the middle classes would have lived a happier life had they been married. But in the lower section of it the question of the children comes in, and rightly; and here it can only be said, if the means seem too narrow or are precarious, men had better either postpone marriage or refrain altogether from it. For a few, abstinence from marriage is a virtue, for those, namely, who refrain that they may devote themselves the better and with more undivided force to higher ends good for the world. These are the true and great communists, amongst whom, as Bacon tells us, some of the greatest servants of their species have been found; and they, and perhaps also clergymen for a similar reason, may refrain from marriage with the minimum of drawbacks and with the greatest good results.

CHAPTER IV.

SUMMARY AND CONCLUSION.

§ 1.

SUCH then, finally, as it seems to me, are the several remedies—political, economical, moral, and social—that our case requires: and all will be required. Not so, according to the empiric who usually has a single vaunted remedy, upon whose merits he enlarges while triumphantly demonstrating the worthlessness of all others. The way of the statesman or the social philosopher is different. He weighs each separate remedy to see if any virtue be in it, and he combines in his prescription as much of each in due proportion as he finds good.

The most comprehensive and simple prescription of all was *Laissez-faire*, and, moreover, a pleasant remedy for those who so far had won the prizes and held the winning cards. Let the Government but stand aside in all matters of trade and industry, let industry be free and contracts free, let each one be free to follow his own interest, and a happy and harmonious result will follow: the greatest sum of wealth and the best of all possible distributions of it. Such the theory, but not such the results of it, after something like fifty years of trial. Not even such the results after unfair restrictions on the labourer made in the

interest of the employer were removed; nay, not even such when *Laissez-faire* was partly departed from and restrictions placed on the employers. *Laissez-faire* while it lasted in its purity helped to heap up masters' fortunes, and had it long continued would have sapped the nation's physical strength and energies and destroyed its morals, would at last have resulted in a materialised plutocracy and a degraded proletariate, unless indeed the latter, before its spirit and physique had been broken, had risen in terrible insurrection, a result that would have been more likely.

We have discussed trades-unions, profit-sharing and co-operative production as means of elevation of the working classes, and of giving them a fairer share of the joint produce of labour and capital; and we have seen that the trades-unions can effect a distribution of wealth within limits more favourable to the higher sections of the labourers, though at the cost, sometimes of the lower ranks of unemployed labour, sometimes of the public, sometimes of the employers, while if the latter accepted combination frankly, they and their hands, with partly common interests, could shut out competitors and keep up wages and profits at the expense of the public, including this time excluded capitalists as well as excluded labourers.

The tendency of profit-sharing is in the same direction, because profit-sharing is the point to which trades-unionism, accepted by the masters, tends; and both tend to keep up wages amongst the *élite* of the artisans. They tend in fact to make a sort of upper class or aristocracy of labour, cut off from the general body of labour, in which there would be nothing to regret, but all the contrary, were it not

that it likewise tends to swell the circle left outside, the unionists of which are depending on the union funds, while the non-unionists are hanging over the abyss of pauperism. There is undoubtedly a new distribution of wealth effected, but not one of unmixed good, because while solving a portion of our social problem it makes the other and harder half of it still more difficult to deal with. While saving so many in the Union boat, the others outside in the waters are left to sink.

Co-operative production promises more in future in the way of solution, but not in the near future. As between it and the present system it is a question of balancing the advantages and drawbacks incidental to each, supposing co-operation had surmounted the initial financial difficulties. On the one side the individual owner is interested, intelligent and responsible, and therefore more likely to make the business successful, but less interested in his workers than in his profits and pressed by competition to lower wages; on the other, a group of independent men with a voice in their own management, and with profits divided amongst themselves; the produce and its money proceeds most probably less in the long run from less efficient management, but the men their own masters, with neither heart-burnings nor fear of dismissal. On the whole one would say it would be a desirable state of things to have as much of the field of labour occupied by co-operation as can sustain itself, first against home competition, next against foreign competition, though the second result would generally follow from the first. But the difficulty, as stated, is to make a successful beginning in the midst

of a competitive *régime* that by its essence seeks to shut it out—how to establish itself alongside a system whose existence it avowedly threatens. Here the difficulty that one does not see a way of getting over for an indefinite period without the help of the State, judiciously and moderately afforded in the way of loan to associations that have shown a faculty of self-help. Perhaps such would be less likely to seek its aid; if so, that is so far well; but also the success of co-operation, the one specific of Mill and Cairnes, will be very long or indefinitely delayed. It remains to say, that the Government themselves might try the experiment on a moderate scale with some of the unemployed, though probably such an experiment will not be soon.

In regard to the land question we have seen that a peasant proprietary should, to a moderate extent, be aimed at, and that now, the large farming system having partially broken down, is the happy time to try it with most advantages to all; it being the landlord's interest to sell or let in small holdings, the land too, naturally going for less price or rent, and thus coming within possible reach (with due State assistance) of a class of small holders drawn from the rural population, or from quondam agricultural labourers who have migrated to the towns. The creation of peasant properties, small holdings, labourers' allotments would, as we have seen, be attended with very great advantages, national, social, and moral, without specially considering the economical side of things. In that aspect we have seen that a peasant proprietor or a small tenant at a 'fair rent' could cultivate where a farmer for a profit could not; and where land

is idle, and men are idle, it is better to have the land cultivated by the idle men than not at all. Nay, it would be doubly better to bring together these two factors of production, else useless or worse, the poor land and the poor men who can afford to work hardest on ungrateful soil, because otherwise the land produces nothing, and the man also producing nothing still draws on the general resources. Allotments, as Mill says, enable labourers to grow their own poor-rates, much more if there be small holdings as well as allotments.

As regards the unemployed in general, the reserve army of labour, the worn-out veterans of labour, the criminal classes, and generally the social residuum—the sorest part of the problem, and where lies all its stress and strain—it is a question both of prevention and of cure, the former more especially. And prevention will partly depend on the labourers in the lowest grade above the gulf obtaining higher wages at such times as they are employed; and this is their due, because if their labour is socially necessary they should get enough to live upon, one job with another. It will depend partly on the relief of the labour market by drawing some back to the small holdings or allotments in the country, one reform reacting beneficially on and making possible another, the like being true of emigration. It will depend very much on early lessons of thrift and prudence, which should be impressed upon the children by parents and teachers, in pursuance of a more rational plan of primary education. By State help, self-help, education, emigration, the great social gangrene may be prevented from spreading, and it may be finally abolished.

But it will be difficult. It will task our statesmen, try our reformers, exhaust our philanthropists; but let them bend to it. It is the greatest of works, a labour for a Hercules, a task almost for a God if such were sent to earth. Nay, it was the very problem that chiefly exercised the soul of Christ, and as in life it was ever present with Him, so in death it was beside Him in the person of the thief on the cross, society's victim, but forgiven by Him.

Deeper remedies than any yet hazarded may yet have to be tried for this branch of the problem. The State, in addition to providing for the unemployed and used-up poor, may have at last to take the restraint of population in its own hands, may have to restrict a fatal liberty to prevent the flood of diseased frames and degraded minds. It can only be indicated here that very radical remedies may have to be tried; radical both in the way of finding employment for those already here, and for preventing a surplusage of the lower types from appearing here. Much better that Mill's 'swarms of beings likely to be miserable and certain to be depraved' should keep in Nirvana, in the sphere of the Unconscious when well there; better not to see the sunshine in the fatal surroundings destined for them here. But more will have yet to be said on this dark and serious side of the question.

We turn to a more cheerful side and a more hopeful topic. A better education would do much for all the working classes and something for the very lowest. It would give access to careers, provide ladders of escape for the better ones from their surroundings. Education, as well as land and capital, and more than

either, requires diffusion. It is wanted for all, from the struggling sections of the middle class down to the very lowest. The question of free education, though much debated for the hour, is unimportant. Free it should be to those who cannot afford to pay for it; for the others they should, as I have argued, have the benefit of more educational funds than they now have, and, that agreed to, the smaller question whether a man pays directly or only indirectly his children's pence is insignificant.

To the drastic schemes of land nationalisation we have not been able to agree, still less to the sweeping and heroic schemes for the nationalisation of land, capital, and all things above the ground or beneath it, visible and invisible, money, credit, machinery, mines. Both kinds of nationalisation would be robbery. The second, even could it be temporarily done, would be accompanied with an evolution of Chaos in volume sufficient to rejoice the very heart of Milton's 'Anarch Old' as nothing has rejoiced it since man appeared on the planet. We should require a violent revolution and civil war to get to universal nationalisation, and a counter-revolution to get back; and after a possibly long time, in which it would not be pleasant to live and rear a family, the old order of private property and industry would return once more, much blood having been drawn meantime in the collision and whirl of the human atoms during the anarchic period.

Nor would Malthus be a safe and sure specific, Malthusianism being, as we have seen, beside the question, or not going to its depth; the amount of practical truth in it being that labourers should not

marry too early, nor have too large families, and that those in the lowest stratum should not have children at all.

§ 2.

One further remedy there is, on which it is necessary that we say a little more before concluding. We have seen, that all the remedies run up into moral considerations, and imply higher moral ideas in men; that even the real remedies, co-operation, education, political reforms, economical reforms, State help, self-help would be more efficacious if men were morally better; that if they were morally better all necessary reform, political and social, would come as a matter of course; and that if men, especially those in the higher places, do not receive a moral awakening there may come social convulsions, even though it be proved to demonstration that such would merely involve all alike, rich and poor, in a general wreck.

All would thus seem to turn finally on the question, Can men be made morally better? And truly when the case is thus put there are not wanting causes for the gravest apprehensions in regard to the future.

When one reflects what the average of mankind is to-day, what our species, self-regarding by its very essence, is at best, what our actual society is at this its latest hour of development, with its egoism intensified by the ethics of the market and of industry; when one considers the general moral tone of society, its real working code of morality as distinct from the ethics of the schools, its low theory of life, its false valuation of the things good and evil of life, its lost

ideal of heroism, its relaxed standard of honour, its forgotten notions of duty; above all when we reflect that religious belief—the last reserve force to strengthen and support morality, so liable to give way under pressure of excessive self-interest—has itself broken down;—one cannot affect to be over-sanguine, or pretend to be without serious apprehension as to the future of society.

Our practical working ethics, as distinct from the ethics of the schools, often grand enough, is narrowed to the lowest egoism and the coarsest moral materialism. The notion of duty, paramount and imperative, especially of a duty to those in the classes beneath, has all but died away from the souls of those in the superior classes. The very perception of what is just is all but obscured—a still more alarming state of things, because it implies that now the disease has reached a vital place; that the moral sense and the brain together are touched; that the conscience, the shower of right and wrong, can no longer be trusted; that there is corruption in the court, and that the judge has been bribed. What do I owe my hands but wages according to contract? asks the employer. What do I owe these hinds, or my countrymen generally? says the landlord. Nothing at all, but my countrymen would owe me something more if price of corn or profits in the great centres of industry would only increase. The notion that the rich employer owes more to his hands than is in the contract, that he owes kindly feelings to those by whose labour he lives, together with other things that naturally flow from these; and that he and the landlord and all rich men owe something more than they can ever hope to

pay—to science, to civilisation, to mankind generally, but especially to the living generation of their own countrymen, as the present usufructuaries of the blessings of civilisation—such a notion has hardly ever arisen in the minds of any, save a rare individual here and there, whose bright example only further shows the general moral darkness, the deadness of conscience, and want of public spirit. These men, who have drawn so much, owe much; but only a rarely exceptional man acknowledges the debt and by means of hospital, scientific college, or other bounty, distributes again to his countrymen and civilisation part of what through them he has gathered.

Nor is the low moral tone confined to the rich. It is universal—in the middle classes, in the working classes, in the lowest poor—but with this difference, that in each grade as we descend there is the more excuse for it, till at last, for the lowest poor, the vanquished, and the finally prostrate, the victims of extreme necessity, a moral obligation can hardly be said to exist; a fact which constitutes a part of our future social dangers.

We shall certainly require both a moral awakening and a religious awakening to make the required change of state; we shall have to get a wholly new conception of the meaning of life, of the duties of life, nay, of the very possibilities of life, even of the pleasures and promises of life from the egoistic standpoint, which last consideration may be hoped to have some weight with those who would not hear any other appeal.

Strange as it may seem, I believe that most of the rich and greatly placed have missed the best things in

life; that even on their own principles they have badly worked their egoism in practice, and have not realised the highest kind or the largest surface of enjoyable things. They have certainly passed by the best in quality, which assuredly does not consist in delicate meats and choice wines, in the flattery of sycophants, guests, or clients, or the consciousness of fine houses, carriages, and footmen; or, rising higher yet, in deer forests, country seats and parks; or, highest of all, a seat in Parliament, or even a place amongst the peers. Some of these no doubt are fine things, but there are even finer yet, though perhaps not attainable on the road of the money-seeker. On the theory of enlightened egoism the mammonist money-maker has missed the finest things, and the true follower of Epicurus would look upon his highest conquests with contempt.

But for the money-hunter it may be said he follows what he feels to be his *summum bonum*, and does not rise to the finer fancy-flies he does not relish. True; but not the less has he missed the highest things. As for the idle rich, they have enjoyed still less than the working rich. They had a great chance of making much of life. And what have they generally made of it? What have they got out of life, so full for them of great possibilities, of high pleasure and satisfaction, either exclusive of others or inclusive? They have got weariness, pain, satiety of material sweets, ruined nerves; all relish of life gone. They stretched forth their hands to pluck the seeming blooming apples, and found, not sweetness, but ashes inside, or rottenness. They have got *ennui*, melancholies without names, a weariness,

a satiety of life. They also are in a kind of sickness and earthly state of torment, insomuch that many of them would almost change with the condition of the lowest pariah. And it is hardly doubtful after all that their sufferings are the worst. Such grand compensation great and benignant Mother Nature has, such even-handed justice she will have, in spite of social arrangements. And here again is an inner principle of justice in the fibres of Nature, in the centre of things—a moral order where we did not look for it. They have not got the real relish of life and its joys that mighty Nature, great in secret compensations, gives to the genuine worker; above all, to the higher worker, be he thinker, artist, savant, creator, inventor. Nay, they have not even the simple pleasures that the artisan or day labourer, with his sound sleep, good digestion, and honest heart, and warm for his comrades, may enjoy.

The idle rich have gone to despair, as the hard-working but greedy and grasping rich have reaped vanity—even after reaching the crown of ambition and the seat in the House, because when there he is commonly of little account, being for most part destitute of the knowledge, culture, and ideas—things little rated till he finds the want of them—that would distinguish him there.

The great simple pleasures have been passed by, could not be enjoyed. And is it not just, O great Nature! that the rich should not have all; that there are great gifts that cannot be monopolised, cannot be made into a property; that cannot even be got by those who think only of money or the pleasures that money can buy? There are simple things but great

things that you have haply given or given the means of attaining—enthusiasm, health of body, a cheerful mind, the love of nature, of knowledge, of one's kind, the delight in man and woman. Here are great things, precious things, pleasures to be had cheap, comparatively, but only by those who do not love wealth too keenly or pursue it too absorbingly, the pursuit of the one forbidding that of the other. These also are reserved prizes, 'out of the competition,' *res extra commercium*, not open to all, but only to the select of Nature who have not gone too far from her ways; and here again is compensation in the deep economy of Nature.

Religion—the last coercive force after morality and law, the final thing on which Society was wont to rest for compelling men to do their duty—religion is in still worse case than morals, is indeed in the very gravest condition, and in one for which there is no parallel in history but one, and that a faint one, its state in the Roman Empire when Christianity was first preached. It has become mechanical, a rhapsody of words; a thing that in the form of orthodox dogma and doctrine ceases more and more to be believed in by thinking men. Nay, the unbelief has reached the working classes, and unless the doctrine is reformed the unbelief will become universal.

It is not merely that the doctrines are more and more discredited, but the suspicion gains amongst the labouring classes that the doctrines have been accommodated to the masters of the world, and not without a show of reason. The rich and powerful classes, not too highly rated in the Gospel, have ever insisted on having their gloss on its teaching intro-

duced, and not without effect. Their influence has made itself felt in commentary and catechism, even in the 'duty to our neighbour,' as improved upon the gospel rendering. Religion in the course of her history has also become 'opportunist.' The plain and manifest words of the Gospel oft repeated to prevent mistakes, the most clear and unmistakable texts and most above suspicion otherwise have been either emptied of their meaning, or, what has been equally efficacious, the emphasis has been withdrawn from where the Founder put it and laid on other places. And thus the unimportant or dubious has set aside the essential, a matter on which the Christian Socialists, who, like Maurice, affirm the communistic basis of Christianity, will one day assuredly have a hearing and probably a triumph, at least if Christianity is to become once more a living and a general power in the world.

The Church has missed or ignored the meaning of Christ for centuries, has in consequence taken away the life out of the gospels, as well as out of the prophets. The Fathers of the Church knew the meaning, and it was a long time before the early Christian Church lost sight of Christ's social teaching. It was, however, gradually lost sight of, in main measure. Strange; because there is no man who brings a sane and unbiassed understanding to the reading of the gospels, still less to Isaiah and Jeremiah, without perceiving that what Christ and the Prophets equally aimed at was to bring in social justice, or 'righteousness,' as it is rendered. None can doubt, few but know, that the kingdom of heaven with Christ meant at first (and probably to the last) a so-

ciety on earth with changed social conditions, in which the cruel social inequalities would be redressed ; inequalities which mark the latest stages of a nation's history, and which in Judæa, in Christ's time, where men were 'standing idle all day in the market place,' because no man had hired them, and where Dives and Lazarus were familiar social types, were as marked as now. No Church nor man can possibly explain away all the many texts in the synoptical Gospels pointing significantly in this one direction : the denunciations of the rich ; the advice to the rich young man whose only drawback was his wealth ; the terrible parable of the rich man in torment and the poor in heaven ; the parable of the rich man, who had 'much goods laid up for many years' of selfish enjoyment, but who was not rich towards God ; all turning on the vanity of riches, their demoralising power, and the general injustice of their acquisition. The Christian Church, as M. de Laveleye well says, can never get rid of its socialistic base. The doctrines of communism and of equality are in the gospels, and they cannot be treated as of no significance without shaking the authority of the other portions, and of Christianity generally, to its foundation.

The gospels are read daily in the churches, and the prophets—Isaiah, Jeremiah, and Ezekiel—and yet the majority of the clergy of all denominations whose sacred business it is to know their drift and meaning, especially where it is so clear, have been either too blind to see or too prudent to proclaim the real social and moral teaching of Christ, to ignore which is simply to ignore all that refers to the earthly salvation of man, which assuredly was of capital

importance in the mind of the Founder of Christianity. The priests—though happily not all—have passed by the most pregnant words, the full meaning and reach of them have been missed, while doctrines of doubtful authority have been substituted and accentuated, whether from want of light or as part of a deliberate policy it is for them to explain. Hence, once again, this sad result seen under the sun: the gospel of social righteousness perverted, the way and rule of life obscured, and religion made of no effect in enjoining a just conduct of life in this world.

If, then, all reforms turn finally on men being morally raised, our prospect would not seem the brightest. A society without real religion, with its nominal religion adapted and accommodated, without morality other than egoism, and not even enlightened egoism, whose spiritual guides, political rulers, and social chiefs have been, almost to our days, in a kind of tacit combination to work injustice, as the princes, priests, and prophets of Judah, in the days of Ezekiel, had all joined together to do evil; with its people, whether products of the system or revolters from it, of like disposition with its rulers,—such a society would not seem to be in a very hopeful way. On the contrary, one would say that it was in a very alarming state, and on the whole that if it does not change it would merit the destruction that the revolutionists and anarchists threaten, and that Carlyle prophesied, would one day come unless it changed.

§ 3.

Our case would, in truth, be hopeless, and the fate of society to go down in prolonged dissolution sure, were

it not that in fact a change has come over the spirit of all, and that the picture we have drawn, though still generally true, is becoming less and less true. We are receding from the state of things described, and the chief question is, Are we leaving it behind us sufficiently fast and to a sufficient extent?

Our comfort is that things have been worse, far worse. Our hope is that we may improve more and more now that we are in the altered course. At all events we are departing from the evil state of things described. For the past fifty years our face has been set in the opposite direction; nor has the nation ever looked backward except for a moment now and then. Something considerable has been already gained. The people have been admitted to political power, a matter of first moment only just settled after a long struggle. The State has become filled with the spirit of democracy. Law has been reformed in the interests of all, and good laws passed in the interest and for the protection of the people. Many things have been done for the working classes, and an enlarged spirit of philanthropy and charity has embraced the case of the most hopeless. The Church even has been reforming herself, has begun to conceive her work differently. She too has felt the rising tide of democracy, and is returning to the neglected side of Christian ethics, the social and moral teaching of the Gospel. And assuredly not an hour too soon, perhaps not soon enough, considering that the murmur, 'Give an account of your stewardship,' is beginning to be heard.

At the present hour there is a moral awakening and a deepening ferment, a movement all along the

line, a movement full of hope. The Church is being filled with the new spirit. Our parliamentary candidates are full of it. Philosophy—dropping her mill-horse round of thrashing exhausted metaphysical issues—is turning her eyes to earth, is condescending to regard that remarkable entity called Society; a thing well worthy her regards if only for a change, now that long familiarity with the Absolute must at last have produced a sense of monotony from want of variety. All this is matter for hope. Parliament, the Church, Law, Philosophy, Literature are becoming filled with a spirit, new, and of hopeful augury; whether from pity, remorse, generosity, apprehension, or a mixture of all together, we need not stop to inquire. Even Society on its most shining heights is moved, remembers that the poor exist, and has got considerably beyond the social philosophy of the too-famous French princess who wondered why they didn't eat loaves.

This is the time, now that the tide suits, to set our sails again towards Utopia; the time for statesmen, philosophers, and moralists on the side of justice to strike their strongest with hope of the happiest results; the time for all well-wishers of their kind, and their country, to work together; the time when much may be done, much hoped for.

There is at least sufficient wisdom and virtue amongst us, if duly gathered and applied, to start on the right lines for the solution of Society's formidable problem, and let us hope sufficient courage and perseverance to keep in the course once entered. But the future is shrouded. We only know from the past that there is an element of 'unreason' in the course of

history, proceeding in part from human nature and in part from what is called Chance. Man is an imperfect being, having in him both good and evil. He is combative and selfish, as well as generous and just at times. What he holds he will not surrender. Justice puts in her plea in vain. The unforeseen occurs, and thus, in spite of its quantum of working wisdom and virtue, society may get into a state of war and anarchy through the attempt to bring in justice. Hitherto we have escaped this peril, owing to our sensible political instincts, our habits of compromise and sense of fair play. If such still prevail, all may go well. But there are also grounds of apprehension, for now the struggle of opposed interests is about to enter on a more critical stage, and to be carried on at closer quarters. Confusion and even revolution may be ahead for us, from which only wisdom and knowledge and a spirit and sense of justice in the higher classes, as well as good sense and knowledge in the lower, can save us. It may be that Justice is appointed to come in in this way;—by struggle, perhaps by violent struggles. We hope it may not be so, we expect it will not be so; but even should it be so ordained, the end, however long delayed, will not be the disappearance of the race in mutual annihilation. It will and must finally be a nearer approach to social righteousness; and at last, though it may be far off, when hatred and anger shall have died out, as they have already partly died; when love and charity, that really exist, shall be widely spread; when the barbarian and the brute dying within us shall be wholly dead; when, in short, the human species has worked up to it, and has fitted itself for

it, the reign of peace, the happy republic, the kingdom of heaven shall come on the earth. That is the goal seen by the wise from of old; and the species has already got more than half way to it since it first started on its unpromising career.

And what chiefly keeps us back? Want of love and charity; too much regard for self, too little regard for others, the latter partly a necessary consequence of our present conception of life and scheme of society. But society will change, is changing, and if social arrangements, which at present repress and smother the native love in our hearts for our fellows, were corrected, this innate love would get its chance and would shine forth. Here, in short, is our case. Love for others, which would solve all and be the 'fulfilling of the law,' cannot come largely into life whilst excessive egoism and self-love is fostered and made necessary by the existing state of things. Love, if we had it sufficiently, would save us, would prevent the present evils and preclude future ones; but our present system and the present evils prevent the love which would destroy them. And here, once more, we are in the old circle of social and moral contradictions. How to get out or how to reconcile them?

That Love and Charity may live and reign, it is necessary first to aim at and to bring in Justice. This is the first step and the immediate task, and it is a work chiefly for statesmen, philosophers, and preachers of righteousness. The more Justice, old as society, and a minimum of it even necessary for an evil society, becomes diffused through society and all its relations and institutions, the more love and charity

will come in, because the conditions necessary for their larger life will become possible. And the more they come in the more they will facilitate and hasten the remainder of the struggle for a wider Justice.

Egoism will indeed still exist; but it will grow less narrow as it becomes more enlightened, when it discovers that what is got from others does not always make richer, that what is given to others does not always make poorer. The grasping ego will grow less, the giving ego will grow larger. Besides, the better ego will expand in other directions, where its expansion does not take from, but rather adds to, the expansion of other egos, because happily there are things which can be enjoyed by many where one's enjoyment is not lessened but heightened by the simultaneous enjoyment of others.

The enlightenment of the ego will come from knowledge, its expansion from right education, the spirit of the age, and in part from the grace of nature or of God, for it is partly a gift. It is, however, a possible gift. Many have had it, and more might have it if the germs of better things existing in many were duly cultivated.

Thus then finally, by the spread of Justice, by the incoming of light and knowledge, by the extinction of narrow egoism and the expansion of that larger egoism which is compatible with and even inclusive of the love of others, Love and Charity will grow more and more, and will at last, in conjunction with and as the crown of all the others, bring in the Kingdom of Heaven here on Earth—without in Society, and within in the soul.

Such is the goal. We have already started for it once more, with more than former hopes, and with light and wisdom and the spirit of justice in our leaders—and particularly our political ones—we may make some considerable progress towards it even within this generation.

APPENDIX.

ON THE RELATIVITY OF POLITICAL ECONOMY.

I HAVE already referred, p. 346, to Professor Sidgwick's 'Principles of Political Economy' as an important contribution to the science. I must here add that in my opinion it contains the best analysis of our existing economic order, as well as the most careful and complete discussion of fundamental principles and conceptions, that has yet been given, and much superior in the latter respect to Professor Cairnes' efforts in the same direction as contained in his 'Definition and Logical Method,' and in his 'Leading Principles newly Expounded.' Mill's work, great as it is, is in some respects behind our present knowledge, not on a level with present economic facts, and, on the central matter of all—the wages question—is both erroneous and defective, because he does not deal with the actually existing facts and determining conditions. He is wrong in assuming that the problem of wages can be solved by his Wage-Fund theory. And he does not deal with existing facts when he assumes competition amongst the workers as a general fact governing the determination of wages.

Professor Sidgwick's work deals with existing facts while correcting the theory of Mill. But further contributions to our new economic library will be required from economic students, and especially contributions from the historical point of view, in order that the important truth, but lately perceived, be duly impressed—the truth that all economic science is relative,

that each stage of social evolution and progress has its own special economic conditions and characteristics, the explanation and systematic expression of which constitutes its special and appropriate political economy, or special application of such economic theory. And not only has each stage in the history of progressive communities its own political economy, but the like holds of each conceivable type of society, between and including the two extremes of communism and individualism in whatever age or country they may be found.

The general principle is that each successive stage in the social evolution of a community presents a greater complexity and a larger number of economic facts and conditions to be dealt with in our theory, while some of the old conditions change wholly, cease to be, and are succeeded by new ones, thus rendering necessary an ever new—generally an enlarged —scientific theory. And when old conditions cease, a corresponding part of the old theory becomes useless, and the solution of the old problem henceforth has only interest for the student of history.

To exemplify: In the early village community, there was no private property and little or no contracts. There were no private accumulations, consequently no capital in the hands of individuals; no interest on money or goods, no inheritance. There was little division of labour, no buying and selling, no exchange, save very rarely with outside tribes or communities. There was no State and no taxes. There was small production, mainly agricultural, and there was no distribution, save that made by the head men or chief according to individual wants, somewhat like that made to-day in the family group. Consequently wages, profits, interest, rent, prices, in our sense, did not exist, and hence our present political economy would find itself wholly inapplicable to the facts of the case. A very much simpler theory, and one which would not take long to write out, would suffice.

The Feudal period—with its inalienable landed property held on condition of military service, its graduated villeinage with labour dues in place of money rent, its serfs,

its soldiers, its wars, its peculiar production and distribution, its narrow sphere of exchange—would require another and a different theory to interpret its economic facts and explain its conditions; the indefinite period following the decline of feudalism, including the fourteenth and fifteenth centuries and the golden age of English labour, with the villeins emancipated and turned into hired labourers, the Church and monasteries dispensing poor relief, and the yeomen prosperous and numerous, would require another. Again, the age of the Tudors, the whole sixteenth century in fact, would require a fresh and enlarged theory to take in both the altered and the new facts; the clearances by the great landowners, the depression of the yeomen, the increasing foreign trade, the monopolies, the restraints on production and the free movement of labourers. And the like holds of the Stuart period and of later stages till we come to our own century and age.

This truth of the relativity of economic theories being borne in mind, we can understand why Adam Smith's great work, though explaining tolerably well the economic circumstances of England and Scotland during the eighteenth century, should require both correction and supplement to apply to the circumstances of Ricardo's generation, so greatly changed by the Industrial Revolution. For the age after the industrial revolution Ricardo may be said to have written the 'Political Economy,' an age of production on the large scale, of extended banking and enormously expanded foreign trade, circumstances which required a corresponding expansion of economic theory to take them in, only the germs of which are given by Adam Smith. Ricardo evolved the theory for this larger and more complicated set of facts and conditions, including a theory of foreign trade, although Smith at moments comes close upon nearly every one of Ricardo's peculiar theories and ideas. In fact, with the divination of genius he saw the future tendency though he could not write out the corresponding theory with such clearness as Ricardo, who lived when the tendency was accomplished. Accordingly he throws out most of the ideas of Ricardo, mixed with others, leaving only to the latter the labour of selection and of further development.

To Ricardo, however, belongs the honour of having written the 'Political Economy' for his own generation, at least in England, his work having been vaunted by the elder Mill and in part by the younger, as well as by De Quincy and many others, as a new economic revelation. The praise was somewhat exaggerated, but he did at least give an improved theory of wages, profits, prices, and a new theory of foreign trade, if not also of rent.

But still Ricardo's theory of wages only applies to the case of labourers in his own age, the age before the repeal of the Combination Laws (1824). Even with Mill's corrections, though theoretically true, it ceases to apply generally; it is not the formula which gives wages, because Ricardo's hypothesis of competition between labourers does not hold under a trades' union *régime*; while further, the Ricardian theory of rent—the great discovery—irrefragably true in theory, true hypothetically, and true for England in Ricardo's time, is ceasing more and more to apply to England, because, first, the price of corn, on which the theory hinges and with reference to which it was framed, is now ruled, not as the theory assures us, by the English, but by the American cost of production; while again, corn is ceasing, through the American competition and free trade, to be our chief agricultural produce, and the theory of rent cannot be easily expressed or proved or worked with reference to cattle-rearing or other agricultural industries. Possibly the theory of rent might be adapted to these cases, but it would require much modification, and the most we could hope to get finally would be the lame generalisation that rent is the surplus above ordinary profits.

Again: J. S. Mill wrote the 'Political Economy' for his generation, or from 1848 to about the time of his death, at which time, or before it, the spirit of revolt broke out against his authority, the leaders being Professors Jevons, Cliffe Leslie, and Mr. Thornton. Since then there has been a kind of economic anarchy—a return to the 'state of nature' and pre-economic history, where each man enjoys the liberty of unfettered freedom of speculation, in spite of a

last great effort made by Professor Cairnes to bring back the wanderers within the orthodox economic fold. In vain: we shall never go back to the old faith. Cairnes himself felt it when writing his last book. Laissez-faire he partly gives up. Malthus, he feels, is beside the question; and the present industrial order is hopeless, he considers. In truth, the dissenters have reason, considering that the two main postulates underlying the orthodox doctrine, on which the theories of wages, profits, rents, and prices rest in such wise that a change in the postulates necessitates a corresponding change in the theories, have ceased, and are ceasing more and more, to be generally true. For, coming to particulars, they have within recent years ceased to hold, in the case of rents, in Ireland, no longer determined by free contract and competition, and they have long ceased to hold in the matter of wages, now determined by trades-unions, that is, by a body of workers contracting with a single employer, sometimes—competition being suspended in both camps—with a body of employers; in either case the result being different from that under the assumption of Mill and Ricardo, of a contract between individual employers and individual workers, with mostly competition between the workers to get work, and occasionally between employers to get workers. There is thus need of a new theory of wages, and all the more as Mill himself, a candid man, more in love with truth than wedded to his own theories, before his death admitted the defect in his theory of wages. And the theory that we want is one that will rightly interpret the facts, explain the causes, express the laws, now actually operative before our eyes. Before writing out a theory of distribution as it might be, or ought to be, it is, before all, necessary to be able to write one out for the existing economic and industrial order, now and here, an attempt at which—in the second part of this work—has been made, though to furnish such theory of distribution as it now is, is not the main object of my book.

From the point of view of the relativity of economic doctrine to time and social conditions we can further see,

though this time our glance is forward, that if Co-operative Production should ever become a general success we should require a new theory of political economy, at least so far as regards wages, profits, and distribution generally. But given the conditions, we can forescope the resulting economic order, and solve by anticipation the chief problems—some of which would even be simplified. The deductive method and our old Political Economy have at least given us this power, taught us this much. Thus, under co-operative production, competition would only exist between productive group and productive group in the same industry (because it will be a long time indeed before all the groups will merge all competition and divide equally amongst all), normal prices would be ruled as before, mainly by cost of production, and market price, by supply and demand,—by the varying quantities of commodities and services offered, compared with the varying wants and money of purchasers; that is, there would be competition in the case of buyers and sellers, as well as between group and group, nation and nation; but contract would no longer determine wages of individuals at all, as it now does in part, and the only labourers' contracts would probably be those relating to the terms of admission into their special co-operative associations. Wages would be determined by fair division of the total price of product, profits being absorbed in wages, and both together varying with the quantity and quality of produce in conjunction with prices at home and abroad.

From the same point of view, viz. the relativity of economic doctrine, we might usefully deal with a crop of daily recurring fallacies or confusions of thought, e.g., when the fixing of rents in Ireland or Scotland is objected to, on the ground that it is 'contrary to the principles of political economy;' or when the attempt of trades-unions to get higher wages by bringing pressure to bear on the employer is objected to, on the ground that it is 'against the laws of political economy.' Now, of course, all can see that the fixing of fair rents, or the attempt to get higher wages through union combinations, is not contrary to the principles of political economy,

but both are indeed very decidedly contrary to freedom of contract and competition, the assumed *postulates* of political economy. It is a somewhat skilful form of fallacy, because, in the loose sense of the word 'principles,' both fair rents and union-raised wages are contrary to the principles of political economy, that is, if the principles include the postulates from which it starts. What the objectors should say, but which it would not suit them to say, is, that they are contrary to the hitherto accepted postulates of political economy—postulates too widely assumed, even by Ricardo and Mill, as both allow, which have been further narrowed since by the actions of tenant farmers and trade-unionists, and which will probably be narrowed still more, even though the alarming thing should result, that the principles of political economy (that is, the old postulates) are treated with less respect.

Political economy has itself nothing to say as to the rightness or wrongness, the policy or impolicy, of restricting contracts. Neither it nor any other science is competent to examine the principles on which it rests. Hence any criticism of its fundamental postulates must come from another quarter, from a different order of ideas, from the sciences of politics and morals. What political economy has to see to is, that in any given age, it does not rashly lay down a postulate not generally true, else it runs in danger of being only a hypothetical science, whose hypotheses, and the inferences that hang on them, are possibly only realised inside Saturn's rings or on Jupiter's belts. Our present political economy, or rather the orthodox economy of Ricardo and Mill, assumes general competition and free contracts; but these two things had in their time no divine right other than the fact that they generally existed (being partly caused or kept up by law); they are now becoming more and more restricted, one result being that the conclusions of the orthodox political economy will suffer through non-correspondence with facts. But political economy will not suffer. It will simply see to its postulates, and start from new ones, possibly less general, but more in agreement with the actual facts.

But a proposal might also be contrary to a *conclusion* of economic science, e.g., the proposal of 'fair traders' to tax imports in certain cases: which is opposed to the conclusion that free-trade, even 'one-sided,' is best for England on the whole. The proposal here is not contrary merely to a postulate of political economy too widely laid down, and one which the science is not concerned to defend, it is contrary to a theory of English politieal economy logically deduced from true principles aud facts indisputable—the theory, namely, that protective duties would be bad for the English nation on the whole; first, because such duties form a tax on all buyers for the benefit of a particular class; and secondly, because our economic circumstances are such that the chief and the only considerable industry that needs any protection against foreign competition could not be protected without raising the price of corn and bread, so that protection would be chiefly a tax on the poorer classes for the benefit of the agricultural interest, and particularly of landlords. The argument against protection, however, only applies in all its force and in all its fulness to England; because if we consider the case of a country that could be undersold in its own markets in respect of each of its staple productions, such country would have to choose between protection of these industries against the underselling foreign country, or general low profits to the home producer, and perhaps, if the underselling country were sufficiently strong, the surrender and ruin, one by one, of all the attacked home industries. And a single great producing and underselling nation, as respects each industry, might suffice to dislocate and destroy all of them, against which there would seem no remedy except to shut out the superior nation, or at least to neutralise its advantage, by protective duties. To which the absolute free trader replies that even in such case the home industry would only have to be contracted or less profits submitted to. But suppose this universal, suppose each industry contracted, what is done displaced labour and capital to do? By the orthodox theory capital and labour is to be applied to the industries that each country has most advantage in,

and in the case supposed there is none in which it has an advantage, and no new advantageous one to try. What is to be done? In such circumstances, the dread by each interest of its own ruin or injury has generally in other countries resulted in protection, and when a country is under a protective *régime* it is for various reasons nearly impossible to escape from it. This applies to an old country anxious to save its old industries from being destroyed or injured, but a similar line of argument applies in the case of a new and vigorous country or colony to the nurture of an industry for which it is exceptionally suited, but which might and probably would be undersold and destroyed at its birth without such fostering. And thus the free-trade argument only applies completely to the circumstances of England, and has to bend to imperious exigencies in the cases of other nations—thus furnishing another instance of the necessity of qualifying economic theories by considerations of time, place, and circumstances.

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